

## **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 MERCEDES COSTA GARCÍA**

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### **1. Introduction**

Mercedes Costa García was appointed director of Ebro Foods, S.A. (“**Ebro**” or the “**Company**”) by virtue of a resolution adopted by the General Meeting of Shareholders on 27 July 2016. Her appointment by cooptation was ratified at the Annual General Meeting held on 1 June 2017, when she was re-elected and appointed Director for the statutory term of four years. On 30 June 2021, by virtue of a resolution adopted at the Annual General Meeting held on that date, Ms Costa García was re-elected Director for the statutory term of four years. Mercedes Costa García is an independent director.

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 stipulate that directors may be re-elected to office on one or several occasions for periods equal to the term contemplated in the Articles of Association. Directors classified as independent may not remain in office for more than twelve consecutive years pursuant to the Corporate Enterprises Act section 529.duodecies.4(1).

Accordingly, in view of the imminent expiry of Mercedes Costa García’s term of office as director of Ebro Foods, S.A. and as the Annual General Meeting is scheduled for 11 June 2025 (on first call) and 12 June 2025 (on second call), the Nomination and Remuneration Committee of the Company has submitted a proposal to the Board of Directors to table a motion at the forthcoming General Meeting to re-elect Mercedes Costa García for the statutory term of four years. In addition, 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 present needs of the Board of Directors as required by the Company’s Policy on the Selection of Directors and Diversity in the Composition of the Board.

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

The professional profile of Mercedes Costa García, provided by the Nomination and Remuneration Committee, is also appended hereto, in **Annex 2**.

**Annex 3** contains the text of the proposed resolution submitted by the Board to be tabled at the General Meeting for re-election of the director Mercedes Costa García 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](http://www.ebrofoods.es), coinciding with the publication of the notice of call to the forthcoming Annual General Meeting 2025. They will also be incorporated in the minutes of the corresponding Board and General Meetings.

## **2. Legal and regulatory aspects**

### **2.1. Category of independent director**

Pursuant to the Corporate Enterprises Act, section 529.duodecies.4, independent directors are appointed by virtue of their personal and professional qualities and 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 not be considered independent.

Accordingly, Mercedes Costa García would be considered an independent director.

### **2.2. Re-election and appointment of a director by the General Meeting**

The possible re-election of directors at the end of their term of office is contemplated in section 221.2, second paragraph of the Corporate Enterprises Act, in Article 20 of the Articles of Association and in Article 30.1 of the company's Regulations of the Board.

Section 529 decies establishes 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 appointment of independent directors and requires that proposal to be accompanied in all cases by a supporting report by the Board assessing the competence, experience and merits of the proposed candidate, which 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 inform always 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 proposed candidate**

The Board considers that Mercedes Costa García has the necessary competence, experience and merits to continue in office as director of Ebro, in view of the following qualities:

- Over the time she has been on the Board (since 2016) she has acquired a sufficiently broad knowledge of the Ebro Foods Group to be considered a valuable asset for the Board.
- She has demonstrated her total independence in the performance of her duties.
- Her excellent academic background with a BA in Law from the Central University of Barcelona and LL.M. from IE Law School, her expertise in audit-related matters and her extensive professional experience as a commercial lawyer, lecturer and

researcher of the entire negotiation process and member of the IE Good Governance Centre, give the Board a greater diversity of expertise, experience and professional profiles.

- Her continuity on the Board is in keeping with the principles of the company's Policy for Selecting Directors and Diversity in the Composition of the Board of Directors. In particular, it: (i) favours the diversity of professional expertise, experience and profiles; and (ii) maintains the number of independent directors and gender parity on the Board.

In accordance with: (i) the company's Policy on the Selection of Directors and Diversity in the Composition of the Board, (ii) Article 32.2 of the Regulations of the Board; and (iii) Recommendation 25 of the Good Governance Code for Listed Companies, Mercedes Costa García has informed the company that she still has sufficiently availability to be able to correctly perform her duties.

Finally, the Board has also assessed the proposal to re-elect Mercedes Costa García as Lead Independent Director and member of the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee, considering that the diversity of expertise and professional profiles and the presence of independent directors on the Committee will thus be maintained, in keeping with the good governance recommendations and the company's Policy for Selecting Directors and Diversity in the Composition of the Board.

#### **4. Conclusion**

In view of the foregoing, the Board considers that:

- 4.1. The requirements established in law, the articles of association and regulations are met for re-election of the director Mercedes Costa García for the statutory term of four years.
- 4.2. The proposal submitted by the Nomination and Remuneration Committee complies with the requirements established by the Corporate Enterprises Act, the Articles of Association and the Regulations of the Board, and with the principles of the company's Policy for Selecting Directors and Diversity in the Composition of the Board of Directors.
- 4.3. Mercedes Costa García is sufficiently available to commit herself adequately to her duties.
- 4.4. Mercedes Costa García has the necessary qualifications and professional background required for this position, considering the needs of the Board, as well as considerable experience in and knowledge of the Ebro Group, acquired during the time she has been a Director, and she is sufficiently available to perform her duties adequately, so it is appropriate to table a motion at the General Meeting for her re-election as company director for the statutory term of four years.

- 4.5. The classification of Mercedes Costa García as an independent director is based on the principles behind the company's Policy for Selecting Directors and Diversity in the Composition of the Board of Directors. In particular, moreover, her presence boosts the diversity of expertise and experience on the Board, which will at the same time maintain the current number of independent and gender parity.

In short, the board considers Mercedes Costa García a suitable candidate to be a Director of the Company and, as such, she would be an independent director. She is also considered a suitable candidate to continue as Lead Independent Director, member of the Audit, Control and Sustainability Committee and member of the Nomination and Remuneration Committee.

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Madrid, 30 April 2025

Annexes:

- Annex 1. Proposed resolution submitted by the Nomination and Remuneration Committee
- Annex 2. Professional profile of Mercedes Costa García
- Annex 3. Proposed resolution for the Board to lay before the shareholders at the Annual General Meeting

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| <p><b>The English version of this document and its annexes is purely informative.<br/>In the event of any discrepancy between the Spanish and English versions of this document, the Spanish version will prevail.</b></p> |
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## **Annex 1**

### **PROPOSAL SUBMITTED BY THE NOMINATION AND REMUNERATION COMMISSION OF EBRO FOODS, S.A. FOR RE-ELECTION OF THE DIRECTOR MERCEDES COSTA GARCÍA**

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#### **1. Introduction**

Mercedes Costa García was appointed director of Ebro Foods, S.A. (“**Ebro**” or the “**Company**”) by virtue of a resolution adopted by the General Meeting of Shareholders on 27 July 2016, with the category of Independent Director. Her appointment by cooptation was ratified at the Annual General Meeting held on 1 June 2017, when she was re-elected and appointed Director for the statutory term of four years. On 30 June 2021, by virtue of a resolution adopted at the Annual General Meeting held on that date, Ms Costa García was re-elected Director for the statutory term of four years. These resolutions were passed at the proposal of the Board, following the issuance of the corresponding proposals and reports of the Nomination and Remuneration Committee and the Board of Directors.

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 stipulate that directors may be re-elected to office on one or several occasions for periods equal to the term contemplated in the Articles of Association.

Accordingly, in view of the imminent expiry of Mercedes Costa García’s term of office as director of Ebro Foods, S.A. and as the Annual General Meeting is scheduled for 11 June 2025 (on first call) and 12 June 2025 (on second call), the Nomination and Remuneration Committee of the Company has submitted a proposal to the Board of Directors to table a motion at the forthcoming General Meeting to re-elect Mercedes Costa García for the statutory term of four years, pursuant to the Corporate Enterprises Act section 529.decies.4. Mercedes Costa García has the category of Independent Director. In addition, this proposal contains the report required under Article 25.4(a) of the Regulations of the Board, according to which the Nomination and Remuneration Committee shall inform always prior to submission to the General Meeting of any proposal regarding the appointment of Directors

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

According to the Code of Good Governance and the company’s Policy on the Selection of Directors and Diversity in the Composition of the Board, the Nomination and Remuneration Committee analyses in this point the composition and present needs of the Board of Directors.

The Nomination and Remuneration Committee has recently assessed these aspects: (i) in its favourable reports issued on 27 November 2024 and submitted to the Board regarding the appointment by cooptation of two Directors, one classified as proprietary and the other as executive; (ii) in the process of self-assessment of the Board and its Committees

corresponding to 2023, made in 2024; and (iii) in its proposal to the Board on 30 April 2025 regarding the appointment by cooptation of an independent director to fill the vacancy left by another Independent Director as of 27 January 2025.

The analysis made by the Nomination and Remuneration Committee is indicated below:

- Following the appointment by cooptation of Meritxell Batet Lamaña resolved by the Board on 30 April 2025 to fill the vacancy produced by the resignation of Marc Thomas Murtra Millar, the Board once again has 14 members, which is the number set at the Annual General Meeting held on 29 July 2020. The Nomination and Remuneration Committee considers 14 to be the ideal number of Directors, since it gives this body: (i) the necessary size to favour its effective operation, participation by all the Directors and timely decision-making; (ii) adequate diversity of expertise, experience and gender in its composition; (iii) and an adequate balance between Directors representing majority shareholders and minority shareholders on the Board.
- From the point of view of categories of Directors, of the 14 Directors in office at present, 2 are classified as executive, 8 as proprietary and 4 as independent.

In this regard, the Committee considers that the following aspects must be taken into account:

- (i) Although he was nominated by the significant shareholder Heralianz Investing Group, S.L. (with which he has a corporate related-party relationship), the Director Félix Hernández Callejas is classified as an Executive Director on the grounds that he is an executive in one subsidiary of Ebro Foods, S.A. and director in several subsidiaries of the Ebro Group.
  - (ii) There is no relationship between the significant shareholders represented on the Board of Directors.
  - (iii) 68.63% of the capital is represented on the Board.
  - (iv) The Company has a non-free float of 72.29% (as at the date of issuing this report).
- The Nomination and Remuneration Committee has assessed the degree of compliance with Recommendation 17 of the Code of Good Governance, according to which: *“when the company is not highly capitalised (as is the case of Ebro) [...], the 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 (4.67) of the total Board members (14) recommended for companies that do not have a large capitalisation, the Committee has indicated the need 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, 68.63% of the total capital of the Company is concentrated in the Board of Directors.

- It has also assessed the degree of compliance with Recommendation 16 of the Code of Good Governance, 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.”*

In this regard, the Committee takes into account that the percentage of proprietary Directors in the total number of non-executive directors (66.67% of the total of 14 members set by the General Meeting) is no greater than the proportion between the company’s capital represented by those Directors and the remainder of the company’s capital (68.63%).

In view of the foregoing, the Nomination and Remuneration Committee considers that the composition of the Board combines the principles of adequate size, balance and ample majority of non-executive Directors recommended by the Code of Good Governance. Accordingly, the Committee concludes that any vacancy that may arise on the Board should be filled with an independent Director, or at least a Director of the same category as the outgoing Director.

- With regard to numbers of men and women in the present composition of the Board, the Committee points out the gender parity existing at present.
- Finally, the Nomination and Remuneration Committee assesses the fact that all the Directors currently in office were appointed on the grounds that their expertise, skills, professional experience, availability and suitability were adequate for the performance of their duties.

In this respect, in view of the diverse professional profiles of the Directors (all specialists in very varied, and at the same time complementary, sectors such as economic, financial, legal, industrial, institutional, consumer and distribution markets, beverages, rice and pasta), and taking account of the thorough knowledge that some of them have of the entire Group, the Nomination and Remuneration Committee considers that the current composition of the Board of Directors has an adequate diversity of expertise and professional experience for the interests of the Company and its Group and it has not identified any specific profiles that are missing from the Board. This justifies the favourable report issued for the re-election of the Director Mercedes Costa García.

### **3. Resolution proposed by the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee submits to the Board for assessment and, if appropriate, presentation at the Annual General Meeting, scheduled for 11 June 2025 on first call and 12 June 2025 on second call, a proposal to re-elect Mercedes Costa García as Director of Ebro Foods, S.A. for the statutory term of four years. Mercedes Costa García 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 submission to the General Meeting of any proposal regarding the appointment of Directors.

Accordingly, the proposal for re-election set out above is based on the assessment of the candidate's suitability, considering the following aspects:

- a) Since the re-election of Mercedes Costa García at the Company's AGM in 2021, there have been no changes in the aspects analysed that may affect her classification as an Independent Director.
- b) Ms Costa García has been performing her duties as Director with the independence required of her category, unaffected by relations with the Company or its Group, its significant shareholders or its executives, so her classification with regard to her proposed re-election is that of Independent Director.
- c) The excellent work performed up to now by the Director Mercedes Costa García who, since she joined the Board in 2016, has demonstrated her capacity and professional worth in the performance of her duties and her valuable contribution to the Board of Directors and the different Committees she has been on, thanks to the ample, in-depth knowledge she has of markets in general and that of the Ebro Group in particular.
- d) Mercedes Costa García has adequate skills to perform her duties as Director, considering her academic qualifications, with a BA in Law from the Central University of Barcelona and LL.M. from IE Law School, and her extensive professional experience as a commercial lawyer, lecturer and researcher of the entire negotiation process and member of the IE Good Governance Centre, which would give the Board a point of view considered valuable for the Group's business, reinforcing the already broad diversity of expertise, experience and profiles in the overall composition of that body.
- e) Mercedes Costa García is sufficiently available to be able to correctly perform her duties.
- f) It is considered convenient for Mercedes Costa García to remain on the Board in order to maintain optimum stability and balance in the composition of this body.
- g) The re-election of Mercedes Costa García is consistent with meeting all the diversity requirements stipulated in the Code of Conduct and the Policy on the Selection of Directors and Diversity in the Composition of the Board.

Provided the Annual General Meeting of Shareholders resolves to re-elect Mercedes Costa García as director and she accepts that re-election, the Nomination and Remuneration Committee has also assessed and resolved to issue a favourable report to the Board regarding her continuity as Lead Independent Director and member of the



Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee.

## **5. Conclusions**

Following the analysis and assessment made, the Nomination and Remuneration Committee unanimously resolved on 30 April 2025 to submit a favourable report to the Board on the motion to be tabled at the AGM for re-election of the Director Mercedes Costa García for the statutory term of four years.

Provided the Annual General Meeting of Shareholders resolves to re-elect Mercedes Costa García as director and she accepts that re-election, the Nomination and Remuneration Committee has also assessed and resolved to issue a favourable report to the Board regarding her continuity as Lead Independent Director and member of the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee.

Together with this proposal and favourable report, the Nomination and Remuneration Committee submits to the Board the professional profile of the candidate.

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Madrid, 30 April 2025.

## **Annex 2**

### **Professional profile of Mercedes Costa García**

(Lleida, 23-09-1964)

B.A. in Law from the Central University of Barcelona, LL.M. from IE Law School and PhD in Communication Sciences in December 2011.

She worked in the commercial department of the law firm Bufete José Mario Armero for ten years, combining this professional activity with her teaching activity as a lecturer of Security in Legal Relations at the IE Business School.

She is currently director of the Negotiation and Mediation Centre at the IE Business School and lecturer of negotiation and mediation in all the Masters and Executive Education programmes. She also manages Foro Negocia [“Negotiate Forum”].

She has written, or directed and coordinated, many books on negotiation and mediation: “*Negociar para CON-vencer*” (McGraw Hill, 2004), author of Chapter III “*La Negociación*” in the manual “*Sistemas de Solución Extrajudicial de Conflictos*” (Cerasa, 2006), author of Chapter III “*El impacto del diálogo entre accionistas en la reputación corporativa y la confianza*” (Corporate Governance Centre IE Business School 2010), “*Negociar para CON-seguir*” (Pearson, 2011) and “*El Negociador efectivo: comunicación persuasiva con técnicas de mindfulness*” (LID, 2017), author of Chapter 15 “*De la cultura del litigio a la cultura del acuerdo*” (Francis Lefebvre, 2024). She is a Trustee of the Foundations “Contigo Contra el cáncer de la mujer” [‘Working together against cancer in women’] and “Quiero Trabajo” [‘I want to work’] and is a member of the Advisory Board of “Más cultura del Acuerdo” [‘More Agreement Culture’].

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### **Annex 3**

#### **Proposed resolution submitted to the Annual General Meeting**

*“Re-election of the director Mercedes Costa García.*

To re-elect Mercedes Costa García as Director of Ebro Foods, S.A. for the statutory term of four years. Mercedes Costa García is classified as an independent director.”

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INFORMATION RELATED TO MERCEDES COSTA GARCÍA

IDENTITY, CATEGORY AND PROFESSIONAL PROFILE

Mercedes Costa García was born in Lleida, on 13 Septiembre 1964.

She is independent director (Lleida, 23-09-1964)

B.A. in Law from the Central University of Barcelona, LL.M. from IE Law School and PhD in Communication Sciences in December 2011.

She worked in the commercial department of the law firm Bufete José Mario Armero for ten years, combining this professional activity with her teaching activity as a lecturer of Security in Legal Relations at the IE Business School.

She is currently director of the Negotiation and Mediation Centre at the IE Business School and lecturer of negotiation and mediation in all the Masters and Executive Education programmes. She also manages Foro Negocia [“Negotiate Forum”].

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