

## ANNUAL ACTIVITY REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE OF EBRO FOODS, S.A. FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1. Duties and responsibilities

The Nomination and Remuneration Committee was set up by virtue of a resolution adopted by the Board of Directors on 22 September 1998. As a delegated committee of the Board it has the duties and responsibilities attributed to it by law, the Articles of Association and the Regulations of the Board of Directors of Ebro Foods, S.A. (the "Company").

The requirement imposed on companies by the current Corporate Enterprises Act to have a committee of this nature brought nothing new to the Company, which, as mentioned above, had had a Nomination and Remuneration Committee since 1998.

With regard to its duties, section 529 quincecies of the Corporate Enterprises Act establishes that, *"without prejudice to any other duties assigned to it by law, the articles of association or, in accordance therewith, the regulations of the board of directors, the nomination and remuneration committee shall have at least the following duties:*

- a) *Assess the powers, expertise and experience required in the board of directors. It shall define the duties and skills required of the candidates who are to fill each vacancy and assess the necessary time and dedication for directors to perform their duties effectively.*
- b) *Establish a target representation for the gender least represented on the board and draw up guidelines on how to reach that target.*
- c) *Propose independent directors for appointment by the board by cooptation or submission of the decision to the general meeting, as well as proposals for the re-election or removal of those directors by the general meeting.*
- d) *Inform on nominations for other directors for appointment by cooptation or submission of the decision to the general meeting, as well as proposals for the re-election or removal of those directors by the general meeting.*
- e) *Inform on proposals for the appointment and removal of senior executives and the basic terms of their contracts.*
- f) *Study and organise the succession of the chairman of the board and CEO of the company and, where appropriate, submit proposals to ensure that the succession is well-planned and made in an orderly fashion.*
- g) *Propose the remuneration policy to the board for directors, general managers or any performing senior management duties reporting directly to the board, executive committees or managing directors, as well as the individual remuneration and other terms of contract of the executive directors, overseeing compliance with the policy."*

Article 25.4 of the Regulations of the Board establishes the following: *"In addition to any other powers corresponding to it by law, the Articles of Association or these Regulations, the Committee shall study, issue reports and submit proposals for the Board, at its request, on the following matters:*

- a) *Definition and, where appropriate, revision of the criteria to be followed for the composition and structure of the Board and selection of candidates to join the Board, informing always prior to the appointment of a Director by cooptation or the submission to the General Meeting of any proposal regarding the appointment or removal of Directors.*
- b) *Appointment of the Chairman, and Vice-Chairman if any, of the Board, Managing Director(s), Lead Independent Director and the Secretary, and Vice-Secretary if any, of the Board; appointment of Directors to the Committees of the Board; and appointment and possible dismissal of senior executives and their termination benefit clauses.*
- c) *Position of the Company regarding the appointment and removal of board members in subsidiaries.*
- d) *Proposal of directors' remuneration, according to the system of remuneration established in the Articles of Association and the applicable Remuneration Policy and the executive directors' relationship with the Company. The Committee shall also inform in advance on: (i) any resolution or proposal of the Board on the remuneration of directors and executives indexed to the value of the shares in the Company or its subsidiaries or consisting of the delivery of shares in the Company or its subsidiaries or the granting of options thereover; (ii) establishment by the Board of the individual remuneration of each Director for their duties as such; and (iii) establishment by the Board of the individual remuneration of each Executive Director for their executive duties pursuant to the Remuneration Policy and the terms of their contract.*
- e) *Supervision of the senior management remuneration and incentives policy, obtaining information and reporting on the criteria followed by the Company's subsidiaries in this respect.*
- f) *Assessment of the principles of the management training, promotion and selection policy in the parent company and, where appropriate, in its subsidiaries.*
- g) *Examination and organisation, as deemed adequate, of the succession of the Chairman and chief executive and, if appropriate, submission of proposals to the Board to ensure that such succession is made in an orderly, well-planned manner.*
- h) *Preparation and proposal of the Annual Report on Directors' Remuneration and the Directors' remuneration policy in accordance with the laws and regulations in place from time to time.*
- i) *Setting targets for the representation of the least represented gender on the Board and issue guidelines on how to achieve them."*

## **2. Composition**

The composition of the Nomination and Remuneration Committee (the "**Committee**") is regulated in Article 28.3 of the company's Articles of Association and Article 25.1 of the Regulations of the Board.

As stipulated in Article 28.3 of the Articles of Association, *“A Nomination and Remuneration Committee shall also be set up within the Board, with no fewer than three nor more than five members appointed by the Board. All the members of this Committee shall be non-executive directors and at least two of them shall be independent directors.*

*The Board shall appoint one of the independent directors on the Nomination and Remuneration to chair that committee. In the event of absence or temporary unavailability of the Chair, they shall be substituted by a member of the Committee provisionally so nominated by the Board, or otherwise by the Committee member designated by the Committee for the specific meeting.”*

Article 25.1 of the Regulations of the Board establishes that, *“A Nomination and Remuneration Committee shall also be set up within the Board, with no fewer than three nor more than five directors. All the members of this Committee shall be non-executive directors and at least two of them shall be independent directors, appointed by the Board pursuant to the law, the Articles of Association and these Regulations.”*

The following changes occurred in the composition of the Nomination and Remuneration Committee during 2024:

- Mercedes Costa García was appointed Chair of the Committee by virtue of a resolution of the Board adopted on 31 January 2024, to fill the vacancy produced when Fernando Castelló Clemente stepped down as Director and, consequently, member and Chair of the Committee, with effect from 31 December 2023.
- Elena Segura Quijada was appointed Director by cooptation and member of the Committee by virtue of a resolution adopted by the Board on 31 January 2024 to fill the vacancy produced by the afore-mentioned resignation by Mr Castelló Clemente.
- Grupo Tradifín, S.L. (represented by Blanca Hernández Rodríguez and proprietary director by virtue of its status as significant shareholder), was member of the Committee up to 27 November 2024, when it resigned as Director to be replaced in office by its representative, Ms Hernández Rodríguez.
- Blanca Hernández Rodríguez was appointed Director by cooptation and member of the Committee by virtue of a resolution adopted by the Board on 27 November 2024.

Therefore, from 31 January 2024 to the date of issue of this report, the Committee has had the following composition:

At 31 December 2024, the Committee had the following composition:

- Mercedes Costa García - Chair (lead independent director)
- Demetrio Carceller - Member (proprietary director)
- Belén Barreiro Pérez-Pardo - Member (independent director)
- Elena Segura Quijada - Member (independent director)

- Blanca Hernández Rodríguez - Member (proprietary director)

Pursuant to the Regulations of the Board, Luis Peña Pazos, (non-director) Secretary of the Board, is also (non-member) Secretary of the Nomination and Remuneration Committee.

There were no changes in the composition of the Nomination and Remuneration Committee between 31 December 2024 and the date of issue of this Report.

Both the Committee and the Board of Directors consider the current composition of the Committee adequate. The key qualities of its members include their expertise and experience in corporate governance, human resources strategies, senior management duties and the designing of remuneration plans. In most cases these qualities derive from their extensive business experience in medium and large cap enterprises. The educational qualifications and professional experience of the members of the Committee can be found on the corporate website [www.ebrofoods.es](http://www.ebrofoods.es). The current composition of the Committee is also considered to have adequate diversity, both in expertise and experience and in matters relating to gender and the category of directors. In this regard it is noted that:

- There are currently 4 women, which means the female directors represent 80% of the total 5 Committee members (in 2023 there were 3 female members, representing 60% of the total 5 members);
- Most of its members are independent directors (three out of five, i.e. 60%) just as in 2023), in line with the relevant good governance recommendations (Recommendation 47 of the Good Governance Code);
- Although the 2 proprietary directors on the Committee represent shareholders with a significant interest in the company's capital, they do not have a controlling influence on the management of the company and its Group, which reinforces the necessary independence of this Committee;
- The Lead Independent Director is Chair of the Committee.

### **3. Procedure**

Pursuant to Article 28.3 of the Articles of Association, *“The Nomination and Remuneration Committee shall meet with the frequency stipulated in the Regulations of the Board and as and when called by its Chair, whenever so decided by at least two of its members or at the request of the Board. Committee meetings shall be held at the registered office or wheresoever else may be decided by the Chair and indicated in the notice of call, and shall be quorate when attended, in person or by proxy, by the majority of its members. Resolutions shall be carried with the votes in favour of the majority of members attending the meeting. In the event of a tie, the Chair, or acting Chair, shall have the casting vote. The Secretary of the Committee shall be appointed by the Board and shall issue minutes of the resolutions adopted, which shall be reported to the Board.”*

And according to Article 25.3 of the Regulations of the Board, *“The Committee shall meet whenever called by its Chair or at the request of two of its members and at least once every three months. It shall also meet whenever so required by law or when the Board*

*requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties.”*

Furthermore, Article 22 of the Regulations of the Board contains general provisions applicable to all the Committees of the Board.

#### **4. Summary of activities performed during 2024**

The Committee held 8 meetings in 2024, all attended by the Committee Chair. All the meetings were held in person, although online attendance was also enabled.

The actions taken by the Committee during the year are summarised below:

- **Meeting of 31 January 2024:**

- The Committee assessed the nomination of Elena Segura Quijada as candidate to be Director and her classification as independent, with a view to submitting a proposal to the Board for her appointment.

Her nomination, which was filed by the Committee Secretary, had previously been assessed by the Committee at its meeting on 22 November 2023, when it was submitted by a Director and reference shareholder of the Company for consideration were a vacancy to arise on the Board. At that time, since this nomination had been submitted by a Proprietary Director, the Committee had taken all applicable verification measures in its assessment, in accordance with the provisions of the CNMV Technical Guidelines for Nomination and Remuneration Committees (see the 2024 Activity Report of the Nomination and Remuneration Committee on its activities in 2023).

Since a vacancy had been produced on the Board of Directors following the resignation tendered by Fernando Castelló Clemente with effect from 31 December 2023 and since the requirements were met for the Board to assess the possibility of filling that vacancy using the cooptation procedure, the Committee: (i) analysed the composition of the Board (in aspects related to its size, the diversity of expertise of its members, the classification of directors and presence of women and Independent Directors on that body); (ii) assessed the nomination of Elena Segura Quijada as an Independent Director; and (iii) submitted its proposal and report to the Board for appointment of Ms Segura Quijada by cooptation as Independent Director, as well as her appointment, if appropriate, as member of the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee.

- It was resolved to submit a proposal to the Board for the appointment of Mercedes Costa García (Lead Independent Director) as Chair of the Selection and Remuneration Committee, filling the vacancy left by Mr Castelló Clemente, the previous Committee Chair.

- **Meeting of 19 February 2024:**

- Resolutions were adopted regarding the proposal to the Board, with a favourable report, to set the fixed remuneration of the directors for their duties as such, the Executive Chairman and the top-tier executives of the Group.

The Committee assessed the degree of achievement of the quantitative targets to which the variable remuneration of the Executive Chairman (the only Director performing executive duties), senior executives and other Group employees is tied and agreed to submit the appropriate proposals to the Board of Directors.

- The Committee agreed to propose to the Board payment to the directors of the second interim instalment of the statutory remuneration for 2023.
- The Committee's activity report 2023 was prepared and made available to shareholders at the Annual General Meeting held on 5 June 2024.

- **Meeting of 22 March 2024:**

- The Committee studied and agreed to recommend the Board, with a favourable report, to approve the Report on Directors' Remuneration for 2023 to be put to an advisory vote at the Annual General Meeting 2024 as a separate item on the agenda.
- The Committee studied and agreed to issue a favourable report to the Board on the information falling within the Committee's remit included in the Annual Corporate Governance Report 2024.
- The Committee received the draft Directors' Remuneration Policy for the years 2025-2027, so that it could check it and decide at the next Committee meeting whether to submit it to the Board together with the compulsory report by the Committee, to be tabled for approval at the Annual General Meeting 2024.
- The Committee assessed the proposals received from several external consultants to assist in the evaluation of the Board of Directors, its Committees and the Executive Chairman corresponding to 2023 (to be made in 2024) and it was resolved to submit one of them to the Board, together with a favourable report, for approval.
- The Committee was informed of the decision of the then Director Grupo Tradifín, S.L., represented by Blanca Hernández Rodríguez, to stand down as member of the Audit, Control and Sustainability Committee after the Committee meeting scheduled for April.

- **Meeting of 26 April 2023:**

- The Committee reviewed the composition of the Board of Directors analysed the composition of the Board (in aspects related to its size, the diversity of expertise of its members, the classification of directors and presence of



women and Independent Directors on that body) and decided to submit to the Board, for subsequent presentation at the Annual General Meeting, its proposal and favourable report on ratification of the appointment by cooptation of the Director Elena Segura Quijada resolved at the Committee meeting held on 31 January 2024 to fill the vacancy produced by the resignation tendered by the Director Fernando Castelló Clemente with effect from 31 December 2023. If ratified by the General Meeting and provided Ms Segura Quijada accepts her appointment as Director, to ratify her also as a member of the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee.

- The Committee resolved to table a proposal to the Board, to be laid before the Shareholders at the Annual General Meeting, to approve the Directors' Remuneration Policy for the years 2025, 2026 and 2027, continuing on from and essentially identical to the Policy in force during the period 2022-2024. The Committee issued the corresponding specific report for the appropriate purposes.
  - The Committee was informed of the resignation, by then effective, by Grupo Tradifín, S.L. from the Audit, Control and Sustainability Committee for professional reasons of its representative Blanca Hernández Rodríguez, which had been announced at the previous Committee meeting, held on 22 March 2024.
  - The Committee reviewed the composition of the Audit, Control and Sustainability Committee in its different aspects and assessed the professional profiles of the Directors, in view of which it resolved to submit a proposal to the Board for the appointment of Jordi Xuclà Costa as member of that Committee to fill the vacancy produced on effectiveness of the resignation by the Director Grupo Tradifín, S.L.
  - The Committee was informed of the essential elements of the procedure for assessing the Board of Directors, its Committees and the Executive Chairman corresponding to 2023 proposed by the external consultant engaged for that purpose.
- **Meeting of 25 June 2024**
- The Committee reviewed the work in progress of the external consultant in the process of assessment of the Board, its Committees and the Executive Chairman corresponding to 2023, especially reviewing the questionnaires proposed by that consultant, to be completed by the Directors.
- **Meeting of 27 September 2023:**
- It was resolved to propose to the Board, with a favourable report, approval of the employee Share Delivery Plan 2024.

- **Meeting of 30 October 2024:**

- The Committee reviewed the conclusions of the process of assessment of the Board, its Committees and the Executive Chairman corresponding to 2023 made with assistance from an external consultant. It analysed the draft Report on Assessment of the Board and its Committees corresponding to 2023 prepared by the external consultant and submitted its report of conclusions and recommendations to the Board.

- **Meeting of 27 November 2024:**

- The Committee was informed of the resignations from the Board, tendered in writing with effect from 27 November 2024 by the Directors Heralianz Investing Group, S.L. and Grupo Tradifín, S.L., and the proposals submitted by both of them, as significant shareholders, for their vacancies to be filled by the individuals who had been representing them on the Board, namely Félix Hernández Callejas and Blanca Hernández Rodríguez, respectively, as Proprietary Directors.
- It was resolved to submit a favourable report to the Board, following assessment of the composition of the Board and other aspects, regarding the appointment as Directors, by the cooptation procedure, of Félix Hernández Callejas and Blanca Hernández Rodríguez, to fill the vacancies generated by the above-mentioned resignations, and their appointment as members of the Committees they had previously been on as representatives of the outgoing Directors (that is, appointing Félix Hernández Callejas to the Strategy and Investment Committee and Blanca Hernández Rodríguez to the Nomination and Remuneration Committee).

**5. Principal aspects of the Committee's actions**

**5.1. Assessment of candidates and proposals for the appointment or ratification of Directors**

During 2024, whenever it has been appropriate, the Committee has reviewed the composition of the Board in all its aspects and issued the corresponding reports and proposals regarding, as the case may be, the appointment by cooptation of an Independent Director, a Proprietary Director and an Executive Director and ratification by the General Meeting of an Independent Director.

For this purpose, the Committee analysed the composition and needs of the Board from time to time prior to assessment for the issuance of any report on this matter, ensuring that the assessment of the different nominations conformed to the principles set out in the Policy for the Selection of Directors and Diversity in the Composition of the Board approved by the Board of Directors.

In January 2024, in view of the vacancy on the Board of Directors produced by the resignation tendered by Fernando Castelló Clemente with effect from 31 December 2023, and the proposal and previous favourable report by the Committee, the Board resolved to appoint Elena Segura Quijada Director by the cooptation procedure. This raised the



percentage of women on the Board to 42.85%, thus meeting the target recommended by the Code of Good Governance and the Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors<sup>1</sup>.

It is also worth mentioning the work done by the Committee in 2023 and January 2024 regarding validation of the nomination of Elena Segura Quijada as an independent director, considering that her name had originally been put forward by a Director and significant shareholder of the Company. In this regard, in its assessment of this candidate and especially when analysing her classification as independent, the Committee was particularly meticulous, taking every precaution and obtaining all the information it considered necessary to make quite sure that the candidate had no bonds that might affect her independence, following the relevant principles set out in the CNMV Technical Guidelines 1/2019.

## **5.2. Remuneration of directors and executives**

As every year, in February (when the financial information for the previous year is finalised), the Committee checked (with a view to submitting a proposal to the Board): (i) the remuneration of the Directors for their duties as such corresponding to the previous year and (ii) achievement of the quantitative budgets to which the variable remuneration of the Executive Chairman, executives and other Group employees is tied.

In addition to general aspects, the Committee makes a specific analysis of the variable remuneration of executives who are considered part of the senior management for pay purposes. Essentially, the senior management consists of the Executive Chairman, the Chief Operating Officer (COO), the Secretary of the Board and the Company and the managers of the different business units of the Ebro Foods Group.

Apart from checking the quantitative criteria to which the annual bonus is linked, the Committee examines the aspects affecting the deferred bonus established for certain senior executives, corresponding to the goals established in the three-year strategic plans.

Finally, the Committee assesses and submits to the Board: (i) a proposal for the statutory fixed remuneration of directors for their duties as such and for the fees for attendance of Board and Committee meetings; (ii) the review, if necessary, of the fixed remuneration of executives and employees for the following year; and (iii) a proposal to maintain or change, as appropriate, the amounts or criteria for determining the remuneration of executives and employees for the following year. It also submits to the Board its report on: (i) the individual remuneration of the Directors for their duties as such according to the points system contemplated in the Remuneration Policy in place from time to time, and (ii) the individual remuneration corresponding to the Executive Chairman (the only director with executive duties in the Company and its Group) according to the items and criteria established in his contract.

All these aspects were dispatched by the Committee at its meeting on 19 February 2024, as mentioned earlier.

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<sup>1</sup> That provision has now been incorporated as a legal obligation in the Corporate Enterprises Act, although it will not be applicable for companies like Ebro Foods, S.A. until 30 June 2027.

### **5.3. Annual assessment of the Board of Directors, the Executive Chairman and the Committees of the Board**

The Committee is responsible for organising the annual assessment of the Board of Directors, its Committees and the Executive Chairman. The Committee generally defines and coordinates the process, which is carried out through the Secretary.

In 2024 (regarding the assessment of 2023), the Committee received assistance from an external consultant to make the assessment (since it had received that external assistance in 2021, for the assessment of 2020, i.e. three years earlier), and followed the outline for assessment defined by the consultant.

That outline is essentially based on the answers given by all the directors in a questionnaire prepared by the consultant and approved by the Nomination and Remuneration Committee within its assessment of the composition, organisation, procedure and development of powers of the Board of Directors and its Committees (Audit, Control and Sustainability Committee, Nomination and Remuneration Committee, Strategy and Investment Committee and Executive Committee) and all the members and directors holding office in those governing bodies during 2023.

In particular, the questionnaire contemplated aspects related with the organisation and procedure of the Board of Directors of the Company and its Nomination and Remuneration Committee and was to be completed by the Board members who were also on that Committee. The replies and comments provided by the Directors in that questionnaire were confidential and for exclusive use in the assessment procedure.

The outcome of the assessment made in 2024 (in respect of 2023) showed once again that directors were very satisfied with the functioning of the Board and its Committees and the performance by the Executive Chairman and the Lead Independent Director of their duties.

The assessment process concluded with receipt by the Board of Directors of the assessment report issued by the external consultant (together with the activity reports submitted by the Audit, Control and Sustainability Committee and the Nomination and Remuneration Committee for the period assessed) and adoption by the Board of the measures it considered necessary. In this regard, the Board took account of the report on conclusions of the external consultant, the activity reports of the aforesaid Committees and the recommendations, where appropriate, submitted by the Committee.

### **5.4. Review of public information on remunerations**

Any public information on remunerations is reviewed by the Nomination and Remuneration Committee, which submits whatever proposals in this regard it considers appropriate to the Board of Directors.

Each year, the Committee reviews and reports to the Board, with whatever comments it may deem fit, on the following information:

- The contents of the Annual Report on Directors' Remuneration for the previous year;

- The information on remuneration contained in the Annual Corporate Governance Report on the previous year.

### **5.5. Other actions**

During 2024, in addition to the actions mentioned above (recurring), the Nomination and Remuneration Committee:

- Submitted to the Board, to be laid before the shareholders at the Annual General Meeting on 5 June 2024, the proposal and specific report for approval of the Directors' Remuneration Policy 2025-2027;
- Assessed and informed the Board in advance on the payments to be made to directors of their fixed remuneration for their duties as such corresponding to both 2023 (paid in full in 2024) and 2024 (partly paid, as an advance payment, during 2024);
- Assessed and resolved to submit a proposal to the Board for approval of an employee Share Delivery Plan 2024.

Furthermore, in line with the provisions of the CNMV Technical Guidelines 1/2019, the attendance by Group executives of Committee meetings was limited to cases in which this was absolutely necessary. Whenever executives attended meetings, this was strictly for the duration of their report on the appropriate matters and they left the meetings immediately afterwards (thus enabling the Committee to discuss the matters in question with total freedom and independence).

### **6. Assessment and performance**

The Nomination and Remuneration Committee does not assess its own performance during the year, although as mentioned earlier the annual assessment of the Board of Directors, its Committees and the Executive Chairman includes aspects exclusively corresponding to the Nomination and Remuneration Committee. Those aspects are intended to assess both the internal procedures of the Committee (with questions aimed exclusively at its members) and its relations with and counselling of the Board of Directors in matters falling within its remit (with questions aimed at all Directors regarding their perception of the composition, powers, duties, procedures and reporting to the Board by the Nomination and Remuneration Committee).

In this regard, in the assessment made in 2024 (in respect of 2023), the directors' assessment was very positive.

### **7. Verification of the degree of compliance with the Policy for the Selection and Diversity of Directors**

As mentioned earlier, before analysing any proposals and/or reports regarding the appointment of directors (or representatives of corporate directors) and/or members of the Board Committees, the Nomination and Remuneration Committee checks, together with other aspects, the adequacy of the candidate and the composition of the Board following their possible incorporation in accordance with the principles established in the Policy for the Selection of Directors and Diversity in the Composition of the Board.

**8. Responsibility for the information contained in the Annual Activity Report of the Nomination and Remuneration Committee**

The Nomination and Remuneration Committee is responsible for the contents of this Report, approved by the Committee on 20 February 2025.

This report will be made available to the company's shareholders and investors within the Annual General Meeting section on the corporate website [www.ebrofoods.es](http://www.ebrofoods.es) coinciding with publication of the notice of call to the forthcoming Annual General Meeting.

Issued in Madrid, on 20 February 2025.

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Mercedes Costa García  
Chair

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Luis Peña Pazos  
Secretary

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