REPORT ON ITEM ELEVEN ON THE AGENDA OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING ON THE APPROVAL OF A MULTI-YEAR INCENTIVE FOR THE CEO, EXECUTIVES AND OTHER KEY PERSONNEL FOR PERIOD 2025-2027 TO BE PAID IN CASH AND THROUGH THE DELIVERY OF COMPANY SHARES. DELEGATION OF POWERS TO THE BOARD OF DIRECTORS SO IT CAN DEVELOP AND IMPLEMENT RESOLUTIONS.

Board of Directors of Viscofan, S.A. (the "**Company**" or "**Viscofan**") at its meeting on 27 February 2025, upon the proposal of the Appointments, Remunerations and Sustainability Committee ("ARSC"), issued this report for the General Shareholders' Meeting envisaged for 28 April 2025 at first call and for 29 April 2025 at second call, proposing a Long-Term Incentive Plan for 2025-2027 (hereinafter, the "**Plan**") earmarked for CEO of the Company, executives and other key employees of the Viscofan Group (formed by the Company, as the Parent, in the meaning stipulated by Law, and its subsidiaries).

The Plan is aimed at all the companies that make up the Viscofan Group, by virtue of the Company's role in determining the corporate strategy and policies for compensation and talent retention, without prejudice to the assumption and implementation of the Plan by the Group companies to which the Plan's beneficiaries belong.

In accordance with article 219 of the consolidated Spanish Corporate Enterprises Act approved by Legislative Royal Decree 1/2010, of 2 July, and article 29.2 of Viscofan's Articles of Association, to the extent that the Plan includes the Company's CEO, as an executive director, the Plan's approval will be submitted for approval by the General Shareholders' Meeting, under the terms provided for in the current legislation and in Viscofan's current Directors' Remuneration Policy.

1. Objective and description of the Plan

Purpose.- The Plan is established to reward the achievement of Viscofan Group's strategic objectives in the long term, the sustainability of the results and the creation of sustainable value for the shareholder.

Description of the Plan.- The Plan consists of an extraordinary, multi-year and mixed incentive, with an initial theoretical allocation of Company shares and an amount in cash, with a measurement period of three (3) years, which may give rise, after the application of certain coefficients according to the degree of achievement of the Plan's objectives, to the effective delivery of a number of Viscofan shares and to the payment of an amount in cash, on the scheduled payment date.

Depending on the professional level of the beneficiary, different percentages of shares and cash payments are assigned, with 70 per cent in shares and 30 per cent in cash for the Chief Executive Officer and 26 beneficiary executives; for the rest of the beneficiaries, the allocation is 40 per cent in shares and 60 per cent in cash.

The scale of compliance includes a minimum threshold below which no incentive is paid, a Target Incentive level (for 100% compliance) and a Maximum Incentive level when objectives are exceeded, in the terms envisaged in the current Directors' Remuneration Policy, which is detailed in section 5 above. For intermediate levels, the scale or degree of compliance is determined through lineal interpolation.

2. Beneficiaries

The Plan is intended for people who, due to their level of responsibility or their position within the Viscofan Group, decisively contribute to the attainment of the Viscofan Group's strategic objectives. Specifically, the beneficiaries are:

(i) The CEO

(ii) senior executives of the Company and subsidiaries,

(iii) other directors and employees of Viscofan and subsidiaries.

The Plan has 140 beneficiaries, although due to new starters or to mobility or changes in professional levels, the number of beneficiaries may increase to approximately 160, with respect to the Plan's economic limits established in section 5.

3. Duration

The Plan has a Measurement Period of three years, from 1 January 2025 to 31 December 2027 ("Measurement Period").

The Plan will be paid within one month of the approval by the Company's Ordinary General Shareholders' Meeting of the financial statements for 2027 ("Settlement Date"), i.e., within the first half of 2028. To be entitled to the Plan's benefits, the employee must remain at the Viscofan Group, except in the cases in which the end of the employment relationship was not attributable to the employee or in the event of a prior breach by the employer.

4. Limits and origin of the shares

The Plan has the following limits:

- With regard to the part to be paid in shares, the Plan provides for a maximum of 315,000[1] shares for all beneficiaries if the Target is achieved and of 472,500 shares if the Target is exceeded.

- With regard to the part to be paid in cash, the Plan provides for a maximum of €15 million for all beneficiaries if the Target is achieved and of €22.5 million if the Target is exceeded.

Considering the share price taken as a reference at the beginning of the Measurement Period (60.61 euros, in accordance with section 5 below), the value of the Plan in the case of the Target Incentive amounts to approximately €34 million[2].

The Plan's cost will be borne by the Company and by each Viscofan Group company, based on the inclusion in each of them of the Plan's beneficiaries.

When, for regulatory or similar reasons, the delivery of shares to beneficiaries not resident in Spain is too burdensome or expensive, it can be agreed to substitute their delivery for a cash

[1] Equivalent to approximately 0.68% of the share capital.

[2] The cost of the Plan will depend, among other aspects, on the valuation of the shares in line with the accounting rules and the degree of attainment of the objectives of the Plan.

equivalent at the payment date.

The maximum amount and number of shares for the CEO, which will be submitted to the approval of the General Shareholders' Meeting, are as follows: a) Target Incentive (100% compliance with the objectives), a maximum of 27,718 shares and 720,012 euros in cash; b) In the event of a Maximum Incentive due to over-fulfilment, the incentive may reach a maximum of 41,577 shares and 1,080,018 euros.

In line with the price of €60.61 per share taken at the start of the Measurement Period (the average share price in December 2024) the Plan's total value for the Chief Executive Officer is €2,400,000 for the Target Incentive and €3,600,000 for the Maximum Incentive for over-fulfilment.

All of the shares to be delivered under the Plan will come from the Company's treasury stock. No minimum value of the assigned shares is guaranteed.

5. Plan metrics and objectives

The Plan must reflect the expected value creation during the Measurement Period, taking into account the Viscofan Group's strategy. Hence, it is proposed to maintain economic value and sustainability creation criteria in line with the most advanced standards in the area.

In accordance with the Remuneration Policy of the directors the following is distinguished:

(i) the Target Incentive, which is attained if all objectives set are met.

(ii) the Maximum Incentive (150% of the annualised Objective Target), which is attained in the event of maximum compliance with the pre-established targets.

5.1. Target Incentive

For the Target Incentive, three blocks of metrics are established to reflect value creation in the Measurement Period, taking into account the Viscofan Group's strategy.

(i) Creating value for shareholders (75% weighting of the Target Incentive)

We propose as one of the Plan's essential metrics Total Shareholder Return ("TSR"), which measures the return on investment for the shareholder as a sum of the variation in the share price in the Measurement Period, plus dividends and other similar items received during this period.

The average listed price of the share in December 2024, i.e., €60.61 per share, is taken as the initial reference. To calculate the performance of TSR at the end of the period, the average listed price of the share in December 2027 will also be considered.

In accordance with these benchmark values, a minimum level of fulfilment is established for receiving the 3-year Bonus of 4.5% of the Compound Annual Growth Rate (CAGR) and 7% of the CAGR as a Target Incentive, in line with the Company's historical average. The metrics of the new proposed Plan are slightly more demanding than in the previous three-year plans (from 4% to 6.5% CAGR). Minimum achievement entails achieving 30% of the weighting of the target and the maximum of 100%.

(ii) Creating sustainable environmental value. Reduction of CO2 emissions (12.5% weighting of the Target Incentive)

On 19 December 2024, the Board of Directors approved the Viscofan Group's Net Zero Plan, which includes a firm commitment to the decarbonisation of processes. Accordingly, and in line with this plan, a reduction of CO2 emissions in scope 1 and 2 of between 2.6% and 3.3% of annual CAGR is proposed as a target for all the companies that make up the Group by 31 December 2024. A reference value of 403 thousand tonnes of CO2 annualised to December 2024 is used. The minimum achievement is 30% of the weighting of this target and the maximum is 100%.

(iii) Creating sustainable social value. Reducing the accident rate (12.5% weighting of the Target Incentive)

In the materiality assessment carried out by the Viscofan Group, the safety of people at work has once again been highlighted as a priority and a particularly critical area. In line with this analysis, a target is proposed to reduce the average severity rate (the number of days lost per 1000 working hours) in the Measurement Period by between 10% and 13% CAGR per annum compared to the average severity rate for the period 2022-2024, which came to 0,217. Minimum achievement entails achieving 30% of the weighting of the target and the maximum of 100%.

5.2. Maximum Incentive for exceeding objectives (up to an additional 50% of the Target Incentive)

For the accrual and recognition of this additional 50% of the Target Incentive, an exceptional performance of the TSR is demanded, obtained from the absolute viewpoint and from another, relative, that is, comparing the Company's TSR with the performance of a reference group.

(i) Creation of historical absolute value for shareholders (35% of the Target Incentive)

If an absolute TSR is obtained between 7% (minimum value) and 10% (maximum), values that correspond to a return in exceptional periods of greater value creation for the Company.

(ii) Creation of value exceeding other companies of reference (15% of the Target Incentive)

To measure this objective, the proposal is to use the relative TSR, in which the Company must perform better than the average of a reference group.

This benchmark group will be composed of the seven non-financial Ibex 35 companies with a market capitalisation at the close of December 2024, as a benchmark of small & medium caps with a capitalisation that is similar to Viscofan, and [3]seven other benchmark companies in the speciality ingredients and casing market[4].

If Viscofan's TSR is in the 50th percentile, over-fulfilment starts to accrue, with the maximum achievement being the 100th percentile.

6. Performance measurement and Plan modifications

As a condition for payment from the Plan, following a report from the Appointments, Remuneration and Sustainability Committee,
the Board of Directors of Viscofan, S.A. must have ratified the degree to which the parameters

[3] Solaria, Acerinox, Sacyr, Grifols, Enagás, Rovi and Colonial.
[4] DSM-Firmenich, IFF, Kerry, Ingredion, Symrise, AAK and Tate & Lyle

and magnitudes are met.

Under the Directors' Remuneration Policy, Executive Directors who are beneficiaries of the Plan (including the CEO) may not transfer the shares delivered for a period of three (3) years, unless they hold, directly or indirectly, a number of shares equivalent to twice their fixed annual remuneration. For the senior managers that are beneficiaries of the Plan, the retainment period will be two (2) years and for the rest of beneficiaries one (1), unless they directly or indirectly hold a number of shares equivalent to twice their fixed annual remuneration.

The provisions of the current Director Remuneration policy will also apply to all beneficiaries for the ex-post control of variable remuneration ("Clawback").

7. Implementation of the Plan. Delegation to the Board of Directors

In relation to the Plan's implementation, it is also submitted for the approval of the General Shareholders' Meeting, to delegate to the Board of Directors, with general powers of substitution, the necessary powers to implement, develop, formalise, execute and settle the Plan, adopting as many agreements and signing as many documents, public or private, as may be necessary or appropriate for its full effect, with the power to even correct, rectify, modify or complement this agreement. In particular, and by way of example only, the following powers are delegated to the Board of Directors, with general powers of substitution:

i. To designate the beneficiaries of the Plan, either at the time of its establishment or subsequently, and to determine their allocations of "theoretical shares", as well as to revoke, where appropriate, the designations and allocations previously made.
ii. To set the terms and conditions of the Plan in all matters not provided for in this agreement, within the framework of the contracts in force with the executive directors, senior managers and other beneficiaries.
iii. To formalise and implement the Plan in the manner it considers appropriate, carrying out all the necessary actions for its proper execution.
iv. Draft, sign and submit any communications and documents, public or private, that may be necessary or appropriate before any public or private body for the implementation and execution of the Plan.
v. Carry out any action, declaration or procedure before any public or private body, entity or registry to obtain any authorisation or verification necessary for the implementation and execution of the Plan.
vi. To designate, where appropriate, the bank or banks that should provide their services to the Company in relation to the formalisation and administration of the Plan and to negotiate, agree and sign the corresponding contracts with the bank or banks selected in this manner, as well as those other contracts or agreements that are appropriate with any other entities and, if applicable, with the beneficiaries, for the implementation and execution of the Plan, under the terms and conditions it deems appropriate.
vii. Evaluate the level of performance in relation to the parameters to which the Plan is linked and proceed to its settlement.
viii. In general, to carry out as many actions and sign as many documents as necessary or appropriate for the validity, effectiveness, implementation, development, execution, settlement and success of the Plan. The Board of Directors is expressly authorised to delegate, under the provisions of article 249.2 of the Corporate Enterprises Act, the powers referred to in this resolution.

In conclusion, considering the features of the Plan described above, following a proposal and report by the Appointments, Remunerations and Sustainability Committee, the Board of Directors believes that the Plan meets the needs of the Company and of the Group and aligns the interests of the beneficiaries with those of the shareholders, and therefore the following

proposed resolution was put forward to the General Shareholders' Meeting:

"POINTS RELATING TO DIRECTORS' REMUNERATION AND A VARIABLE LONG-TERM REMUNERATION SYSTEM

(...)

Eleven. - Approval of a Long-term Incentive Plan in shares and cash aimed at the CEO, members of the management team and other employees of the Viscofan Group for 2025-2027. Delegation of powers to the Board of Directors so it can develop and implement resolutions.

Approval for the Chief Executive Officer, executives and other key personnel of the Viscofan Group (formed by the Company, as the parent company, in the meaning established by law, and its subsidiaries) of a Long-Term Incentive Plan for the period 2025-2027 (hereinafter, the "Plan") with the following characteristics and conditions:

1. ***Objective and description of the Plan***

Purpose.- *The Plan is established to reward the achievement of Viscofan Group's strategic objectives in the long term, the sustainability of the results and the creation of sustainable value for the shareholder.*

Description of the Plan.- *The Plan consists of an extraordinary, multi-year and mixed incentive, with an initial theoretical allocation of Company shares and an amount in cash, with a measurement period of three (3) years, which may give rise, after the application of certain coefficients according to the degree of achievement of the Plan's objectives, to the effective delivery of a number of Viscofan shares and to the payment of an amount in cash, on the scheduled payment date.*

Depending on the professional level of the beneficiary, different percentages of shares and cash payments are assigned, with 70 per cent in shares and 30 per cent in cash for the Chief Executive Officer and 26 beneficiary executives; for the rest of the beneficiaries, the allocation is 40 per cent in shares and 60 per cent in cash.

The scale of compliance includes a minimum threshold below which no incentive is paid, a Target Incentive level (for 100% compliance) and a Maximum Incentive level when objectives are exceeded, in the terms envisaged in the current Directors' Remuneration Policy, which is detailed in section 5 above. For intermediate levels, the scale or degree of compliance is determined through lineal interpolation.

2. ***Beneficiaries***

The Plan is intended for people who, due to their level of responsibility or their position within the Viscofan Group, decisively contribute to the attainment of the Viscofan Group's strategic objectives. Specifically, the beneficiaries are:

(iv) The CEO

(v) senior executives of the Company and subsidiaries,

(vi) other directors and employees of Viscofan and subsidiaries.

The Plan has 140 beneficiaries, although due to new starters or to mobility or changes in professional levels, the number of beneficiaries may increase to approximately 160, with respect to the Plan's economic limits established in section 5.

3. Duration

The Plan has a Measurement Period of three years, from 1 January 2025 to 31 December 2027 ("Measurement Period").

The Plan will be paid within one month of the approval by the Company's Ordinary General Shareholders' Meeting of the financial statements for 2027 ("Settlement Date"), i.e., within the first half of 2028. To be entitled to the Plan's benefits, the employee must remain at the Viscofan Group, except in the cases in which the end of the employment relationship was not attributable to the employee or in the event of a prior breach by the employer.

4. Limits and origin of the shares

The Plan has the following limits:

- *With regard to the part to be paid in shares, the Plan provides for a maximum of 315,000[5] shares for all beneficiaries if the Target is achieved and of 472,500 shares if the Target is exceeded.*

- *With regard to the part to be paid in cash, the Plan provides for a maximum of €15 million for all beneficiaries if the Target is achieved and of €22.5 million if the Target is exceeded.*

Considering the share price taken as a reference at the beginning of the Measurement Period (60.61 euros, in accordance with section 5 below), the value of the Plan in the case of the Target Incentive amounts to approximately €34 million[6].

The Plan's cost will be borne by the Company and by each Viscofan Group company, based on the inclusion in each of them of the Plan's beneficiaries.

When, for regulatory or similar reasons, the delivery of shares to beneficiaries not resident in Spain is too burdensome or expensive, it can be agreed to substitute their delivery for a cash equivalent at the payment date.

The maximum amount and number of shares for the CEO, which will be submitted to the approval of the General Shareholders' Meeting, are as follows: a) Target Incentive (100% compliance with the objectives), a maximum of 27,718 shares and 720,012 euros in cash; b) In the event of a Maximum Incentive due to over-fulfilment, the incentive may reach a maximum of 41,577 shares and 1,080,018 euros.

In line with the price of €60.61 per share taken at the start of the Measurement Period (the average share price in December 2024) the Plan's total value for the Chief Executive Officer is €2,400,000 for the Target Incentive and €3,600,000 for the Maximum Incentive for over-fulfilment.

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[5] Equivalent to approximately 0.68% of the share capital.

[6] The cost of the Plan will depend, among other aspects, on the valuation of the shares in line with the accounting rules and the degree of attainment of the objectives of the Plan.

All of the shares to be delivered under the Plan will come from the Company's treasury stock. No minimum value of the assigned shares is guaranteed.

5. Plan metrics and objectives

The Plan must reflect the expected value creation during the Measurement Period, taking into account the Viscofan Group's strategy. Hence, it is proposed to maintain economic value and sustainability creation criteria in line with the most advanced standards in the area.

In accordance with the Remuneration Policy of the directors the following is distinguished:

(iii) the Target Incentive, which is attained if all objectives set are met.

(iv) the Maximum Incentive (150% of the annualised Objective Target), which is attained in the event of maximum compliance with the pre-established targets.

a. Target Incentive

For the Target Incentive, three blocks of metrics are established to reflect value creation in the Measurement Period, taking into account the Viscofan Group's strategy.

i. Creating value for shareholders (75% weighting of the Target Incentive)

We propose as one of the Plan's essential metrics Total Shareholder Return ("TSR"), which measures the return on investment for the shareholder as a sum of the variation in the share price in the Measurement Period, plus dividends and other similar items received during this period.

The average listed price of the share in December 2024, i.e., €60.61 per share, is taken as the initial reference. To calculate the performance of TSR at the end of the period, the average listed price of the share in December 2027 will also be considered.

In accordance with these benchmark values, a minimum level of fulfilment is established for receiving the 3-year Bonus of 4.5% of the Compound Annual Growth Rate (CAGR) and 7% of the CAGR as a Target Incentive, in line with the Company's historical average. The metrics of the new proposed Plan are slightly more demanding than in the previous three-year plans (from 4% to 6.5% CAGR). Minimum achievement entails achieving 30% of the weighting of the target and the maximum of 100%.

ii. Creating sustainable environmental value. Reduction of CO2 emissions (12.5% weighting of the Target Incentive)

On 19 December 2024, the Board of Directors approved the Viscofan Group's Net Zero Plan, which includes a firm commitment to the decarbonisation of processes. Accordingly, and in line with this plan, a reduction of CO2 emissions in scope 1 and 2 of between 2.6% and 3.3% of annual CAGR is proposed as a target for all the companies that make up the Group by 31 December 2024. A reference value of 403 thousand tonnes of CO2 annualised to December 2024 is used. The minimum achievement is 30% of the weighting of this target and the maximum is 100%.

iii. Creating sustainable social value. Reducing the accident rate (12.5% weighting of the Target Incentive)

In the materiality assessment carried out by the Viscofan Group, the safety of people at work has once again been highlighted as a priority and a particularly critical area. In line with this analysis, a target is proposed to reduce the average severity rate (the number of days lost per 1000 working hours) in the Measurement Period by between 10% and 13% CAGR per annum compared to the average severity rate for the period 2022-2024, which came to 0,217. Minimum achievement entails achieving 30% of the weighting of the target and the maximum of 100%.

b. Maximum Incentive for exceeding objectives (up to an additional 50% of the Target Incentive)

For the accrual and recognition of this additional 50% of the Target Incentive, an exceptional performance of the TSR is demanded, obtained from the absolute viewpoint and from another, relative, that is, comparing the Company's TSR with the performance of a reference group.

i. Creation of historical absolute value for shareholders (35% of the Target Incentive)

If an absolute TSR is obtained between 7% (minimum value) and 10% (maximum), values that correspond to a return in exceptional periods of greater value creation for the Company.

ii. Creation of value exceeding other companies of reference (15% of the Target Incentive)

To measure this objective, the proposal is to use the relative TSR, in which the Company must perform better than the average of a reference group.

This benchmark group will be composed of the seven non-financial Ibex 35 companies with a market capitalisation at the close of December 2024, as a benchmark of small & medium caps with a capitalisation that is similar to Viscofan[7], and seven other benchmark companies in the speciality ingredients and casing market[8].

If Viscofan's TSR is in the 50th percentile, over-fulfilment starts to accrue, with the maximum achievement being the 100th percentile.

6. Performance measurement and Plan modifications

As a condition for payment from the Plan, following a report from the Appointments, Remuneration and Sustainability Committee,
the Board of Directors of Viscofan, S.A. must have ratified the degree to which the parameters and magnitudes are met.

Under the Directors' Remuneration Policy, Executive Directors who are beneficiaries of the Plan (including the CEO) may not transfer the shares delivered for a period of three (3) years, unless they hold, directly or indirectly, a number of shares equivalent to twice their fixed annual remuneration. For the senior managers that are beneficiaries of the Plan, the retainment period will be two (2) years and for the rest of beneficiaries one (1), unless they directly or indirectly hold a number of shares equivalent to twice their fixed annual remuneration.

The provisions of the current Director Remuneration policy will also apply to all beneficiaries for the ex-post control of variable remuneration ("Clawback").

[7] Solaria, Acerinox, Sacyr, Grifols, Enagás, Rovi and Colonial.
[8] DSM-Firmenich, IFF, Kerry, Ingredion, Symrise, AAK and Tate & Lyle

7. Implementation of the Plan. Delegation to the Board of Directors

In relation to the Plan's implementation, it is also submitted for the approval of the General Shareholders' Meeting, to delegate to the Board of Directors, with general powers of substitution, the necessary powers to implement, develop, formalise, execute and settle the Plan, adopting as many agreements and signing as many documents, public or private, as may be necessary or appropriate for its full effect, with the power to even correct, rectify, modify or complement this agreement. In particular, and by way of example only, the following powers are delegated to the Board of Directors, with general powers of substitution:

(i) *To designate the beneficiaries of the Plan, either at the time of its establishment or subsequently, and to determine their allocations of "theoretical shares", as well as to revoke, where appropriate, the designations and allocations previously made.*

(ii) *To set the terms and conditions of the Plan in all matters not provided for in this agreement, within the framework of the contracts in force with the executive directors, senior managers and other beneficiaries.*

(iii) *To formalise and implement the Plan in the manner it considers appropriate, carrying out all the necessary actions for its proper execution.*

(iv) *Draft, sign and submit any communications and documents, public or private, that may be necessary or appropriate before any public or private body for the implementation and execution of the Plan.*

(v) *Carry out any action, declaration or procedure before any public or private body, entity or registry to obtain any authorisation or verification necessary for the implementation and execution of the Plan.*

(vi) *To designate, where appropriate, the bank or banks that should provide their services to the Company in relation to the formalisation and administration of the Plan and to negotiate, agree and sign the corresponding contracts with the bank or banks selected in this manner, as well as those other contracts or agreements that are appropriate with any other entities and, if applicable, with the beneficiaries, for the implementation and execution of the Plan, under the terms and conditions it deems appropriate.*

(vii) *Evaluate the level of performance in relation to the parameters to which the Plan is linked and proceed to its settlement.*

(viii) *In general, to carry out as many actions and sign as many documents as necessary or appropriate for the validity, effectiveness, implementation, development, execution, settlement and success of the Plan. The Board of Directors is expressly authorised to delegate, under the provisions of article 249.2 of the Corporate Enterprises Act, the powers referred to in this resolution.*