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# APPOINTMENTS, REMUNERATION AND SUSTAINABILITY COMMITTEE OF VISCOFAN S.A.

# ANNUAL ACTIVITY REPORT FOR 2025

## January 22, 2026

## A.- INTRODUCTION

The Appointments, Remuneration and Sustainability Committee (the "Committee") of Viscofan S.A. (hereinafter "Viscofan" or the "Company") was established by resolution of the Board of Directors as a specialised body with powers of information, advice and recommendation, thereby supporting the Board of Directors in the performance of its general supervisory and oversight duties. The creation of a specialised committee in this area is currently required under Article 529 quindecies of the Spanish Capital Companies Act and is recommended both by supervisory authorities and by best practices in corporate governance.

The rules governing the organisation and functioning of the Committee are set out, in further development of the provisions of the of the Board of Directors' Regulations, in its own Regulations, the full text of which is available on Viscofan's corporate website (www.viscofan.com) in the Corporate Governance section.

The Committee prepares this 2025 Annual Activity Report for submission to the Board of Directors, so that, once approved, it can be made available to the General Meeting.

## B.- SCOPE OF COMPETENCES

Chapter II of the Committee Regulations sets out the scope of the Committee's competences, which includes those relating to ESG matters under the terms set out in the Code of Good Governance of the National Securities Market Committee ("**CNMV**").

## C.- COMPOSITION OF THE COMMITTEE

All members of the Committee have the status of external directors appointed as members in view of their experience, training and professionalism, and those qualified as "Independent" meet the independence requirements established in the legal regulations.

During the 2025 financial year, there have been no changes in its composition. Consequently, the composition of the Committee as of the date of issuance of the report is as follows:

| Number | Position | Typology |
|---|---|---|
| Mr. Jaime Real de Asúa Arteche | President | External Independent |
| Mr. Andrés Arizkorreta García | Director | External Independent |
| D. Santiago Domecq Bohórquez | Director | Nominee director |
| Ms. Laura González Molero | Director | External Independent |
| Ms. Verónica Pascual Boé | Director | External Independent |
| Mr. José Antonio Cortajarena Manchado | Non-member secretary | N/A |

The composition is in accordance with the Capital Companies Act, and it also has a majority of independent members in accordance with the recommendations of good governance.

On the other hand, without prejudice to the functions that legally correspond to the Secretary of the Committee in relation to advising and supporting the members in the exercise of the functions that correspond to them, the Committee regularly requests the collaboration of other members of the management team. Likewise, the Committee, in order to better fulfil its functions, may request the advice of external professionals.

The *curriculum vitae* of the members of the Committee can be found on Viscofan's corporate website.

**D.- ACTIVITIES DURING 2025**

During the year 2025, the Committee has held nine (9) sessions.

A joint session was also held with the Audit Committee in relation to the coordination of the functions of each of the committees in terms of ESG.

In relation to the work plan developed, it is worth highlighting:

- **Resolutions without a meeting**
  In financial year 2025, the Committee did not adopt any agreement without holding a meeting.
- **Attendance of members**
  All the members of the Committee were present or duly represented at all the sessions held, except for one in which a member did not attend for personal reasons the meeting. The members have participated via videoconference on 2 occasions, with the Secretary verifying their identity and the availability of the appropriate means for monitoring and participation in the meeting.
- **Convening and preparing sessions**
  All sessions were convened by the Secretary, following the instructions of the Chairman of the Committee, with sufficient notice and including the agenda for the meeting. Committee members received, in due time, the documentation and presentations necessary for forming their judgement.
- **Reporting to the Board of Directors**
  The Chairman of the Committee informed the Board of Directors at each of its subsequent sessions, of the matters discussed at the Committee's meeting.
- **Minutes**
  The corresponding minutes of all the meetings were drawn up, which was approved by the members of the Committee and signed by the Secretary with the approval of the President. These minutes have been made available to all the directors once approved.
- **Attendance of the Chairman, the Chief Executive Officer and the company's executives**
  The Committee was attended by the Chairman of the Company, the Chief Executive Officer and executives of the Company and the Group on the various occasions when the items on the agenda so require.
- **External Services Support**
  The Committee has relied on external advice from independent firms on the following matters:
    - Evaluation process of the Board, Committees and Chief Executive, for which the firm KPMG Asesores S.L. has been involved.

- The process for preparing the new Directors' Remuneration Policy for the years 2027, 2028 and 2029 (the "Policy") in collaboration with the consulting firm Willis Towers Watson (WTW), including a remuneration benchmarking exercise for the Chief Executive Officer and the non-executive Chairman.
- The Committee's analysis and response in relation to the outcome of the advisory vote on the Annual Directors' Remuneration Report (IARC) for financial year 2024, for which it received advice from the consultancy and proxy solicitor Georgeson.

- **Works developed**

As previously indicated, and without prejudice to matters relating to its own organisation and functioning, the Committee is entrusted with advisory powers to the Board of Directors as a specialised body, mainly in areas relating to the composition and remuneration systems of directors and senior management, as well as the promotion and oversight of corporate governance and other sustainability (ESG-related) matters, together with certain information-related activities concerning the General Shareholders' Meeting.

The main matters addressed and analysed by the Committee during financial year 2025, which formed its key areas of oversight and recommendation, can be grouped as follows:

- <u>Organization and internal functioning:</u>
  - Schedule of Sessions and Work Plan: in 3 sessions
  - Activity Report: in 1 session.

- <u>Composition of the Board of Directors and its Committees</u>
  - Analysis of needs and updating of the Supervisory Board's competence matrix: 1 session.
  - Selection of candidates for councillors: 2 sessions.

- <u>Corporate Governance:</u>
  - Regulatory review and update: new Regulations of the Board and the CNRS and Corporate Policies: in 2 sessions
  - Review of the qualification of directors for the 2025 financial year: in 1 session.
  - Request for declaration of conflicts of interest for the 2025 financial year: in 1 session.
  - Annual Corporate Governance Report for the 2024 financial year, including the follow-up to the recommendations of the CNMV's Code of Good Governance: in 1 session.
  - Evaluation of the Board, Committees and the Executive Chairman for the financial year 2024 and proposal for a derived action plan for 2025: in 1 session.
  - Evaluation of the Board, Committees, Chairman and CEO for the 2025 financial year: in 2 meetings.
  - Succession plan for the Chairman, CEO and senior management: in 1 session.
  - Appointment of members of senior management: in 1 session.

- Remuneration

    - Proposal of the fixed and variable remuneration (settlement of 2024 objectives and definition of 2025 objectives) of the Chairman and CEO: in 1 session.
    - Remuneration framework and proposal of fixed and variable remuneration (settlement of 2024 objectives and definition of 2025 objectives) of senior management: in 1 session.
    - Long-term Incentive Plan (Triennial) 2022-2024. Analysis and evaluation of the degree of compliance: 2 sessions.
    - New Long-Term Incentive Plan (Triennial) 2025-2027. Preparation and proposal: 2 sessions.
    - Proposal for the Annual Report on Directors' Remuneration for the 2024 financial year: in 1 session.
    - Verification of remuneration information in the 2025 Semi-Annual Report: in 1 session.
    - Analysis of the result of the IARC 2024 consultative vote and preparation of the response plan: in 3 sessions. The point is explained in a later section.
    - Proposal for a Directors' Remuneration Policy for the years 2027, 2028 and 2029: 3 sessions

- Sustainability

    - Review in the exercise of its functions in relation to the Statement of Non-Financial Information and Sustainability Report for the financial year 2024: in 1 session.
    - Monitoring and preparation of the 2025 Sustainability Report in accordance with the Sustainability Directive (CSRD): in 1 session (jointly with the Audit Committee)
    - Follow-up of the Beyond25 Sustainability Action Plan: in 4 sessions.
    - Proposal for a new Sustainability Action Plan 2026-2030: 1 session

- Updating and training sessions

    - As part of the Committee's work plan, a regular programme of knowledge-updating activities has been maintained. In financial year 2025, these activities were carried out, whenever appropriate, jointly with all directors, as the training sessions addressed cross-cutting matters: challenges and trends in Compliance, training in Cybersecurity, and HR trends.
    - The Secretary continued to provide Committee member with articles of interest on corporate governance, remuneration and sustainability.

## E. ACTIONS IN RELATION TO REMUNERATION MATTERS

The remuneration of directors is one of the key areas in the Committee's proposal and supervision functions, and is why, as indicated, it is analysed on a recurring basis in its different manifestations in several sessions throughout the year.

In 2025, the Committee particularly strengthened its attention in this area, following the result of the advisory vote on the Annual Report on Directors' Remuneration (IARC) for 2024, which, although it obtained 73.5% of votes in favour, 23.7% of shareholders voted against at the General Shareholders' Meeting. This result, after the high levels of

support achieved in previous years (95.1% in 2024, 95.8% in 2023 and 98.3% in 2022), was a point of reflection for the Company, which maintains alignment with best corporate governance practices as a priority objective.

In this context, the Committee assumed its leadership and responsibility in this area, promoting a set of strategic actions with a double purpose:

- Deepen the understanding of market expectations and concerns in terms of remuneration.
- Design and implement an action plan aimed at responding to market expectations and recovering previous support levels.

Among the main initiatives developed by the Committee in the 2025 financial year, the following stand out:

- Recruitment of market reference advisers in remuneration matters, with the aim of advising the Committee on how best to address changes in terms of strengthening transparency in remuneration matters.
- Evaluation of various alternatives to increase the clarity and robustness of remuneration information. As a result, the following measures were proposed:
    - Greater detail in the IARC 2025 disclosure on short-term variable remuneration, including weights and degree of achievement of each quantitative metric and a robust explanation of the qualitative objectives.
    - Reinforcement of the narrative of the Remuneration Policy to be proposed to the General Shareholders' Meeting for the years 2027, 2028 and 2029 and of the IARC 2025 in relation to the benchmark, incorporating information on the analysis carried out by an independent third party (WTW) to determine the remuneration of the Chairman and the Chief Executive Officer.
    - Disclosure of comparable companies and the percentiles in which the proposed remuneration is located.
    - Review of contract termination payments, adapting the Remuneration Policy to align it with best practices and guarantee more favorable conditions for the social interest.
    - Other improvements in relation to the Remuneration Policy: simplification and improvement in ex-post control (i.e. malus clause).

In addition, the Committee, led by its Chairman, together with the Board Secretary and the Investor Relations area, held meetings with the main *proxy advisors* (ISS and Glass Lewis) and with relevant institutional investors, with the aim of listening to their concerns and conveying the planned improvements.

These actions reflect the Committee's firm commitment to transparency, continuous improvement and alignment with the most demanding standards of corporate governance, reinforcing shareholder confidence in the Company's remuneration policy.

## E.- CONCLUSIONS

Throughout the 2025 financial year, the Committee considers that it has satisfactorily exercised the responsibilities assigned to it by the Bylaws, the Regulations of the Board of Directors and its own Regulations and has rigorously complied with the rules and recommendations of good governance in the terms indicated in the Annual Corporate Governance Report and in the Annual Report on Directors' Remuneration.

The Committee has had direct contact and has had the collaboration of the Chairman of the Company and the Chief Executive Officer, as well as the different Directors of the Company.

In particular, the Committee has led and responded to the Company's main challenges within the scope of its responsibilities during the 2025 financial year:

- The Committee has rigorously promoted and implemented the procedures provided for in the legal regulations and in the Policy on Diversity in the Composition of the Board of Directors and the Selection of Directors in the face of the challenge of the expiration of the term of office of 6 directors.
- In terms of regulations and policies within the competence of the Board of Directors, the Committee has submitted to the Board of Directors, on the one hand, new texts of Regulations of the Board and of the Committee itself and has promoted a new Corporate Governance Policy and Definition of the Group's Structure as the internal regulatory framework that includes, in a clear and systematic manner, the principles, criteria and practices that must govern the structure, composition and operation of the governing bodies of Viscofan and its Group, as well as the structure and actions of the management.
- In terms of remuneration, in addition to its recurring tasks, the Committee has responded to the observations and concerns of investors and shareholders regarding remuneration in relation to the IARC for the 2024 financial year, which is in turn reflected in the proposal for the new Policy of Remuneration for the years 2027, 2028 and 2029 that will be submitted to the General Shareholders' Meeting of the 2026 financial year.
- In terms of Sustainability, the Committee has regularly monitored the key indicators of the 2022-2025 Sustainability Action Plan, in which the objectives set have been achieved and has promoted the improvement of the Company through the main rankings in the field. The Committee has also promoted the preparation and submission to the Board of Directors of a new Sustainability Action Plan 2026-2030 with renewed objectives, and which has been approved by the Board at its meeting on 18 December 2025.

This Report of the Appointments, Remuneration and Sustainability Committee is, in short, a contribution to the Company's strategy, which participates in the mission of creating value for shareholders and promoting the corporate interest.