

Report on the activities of the appointments, remuneration, sustainability and corporate social responsibility committee

1. Establishment of the appointments, remuneration, sustainability and corporate social responsibility committee ("ARS&CSR")

The board of directors of Ercros, S.A. ("Ercros" or "the Company"), held on February 25, 1997, approved the creation of an appointments and remuneration committee, whose functions, composition and operation comply with the provisions of article 35 of the articles of association; article 17 of the board of directors' regulations and its own regulations, approved by the board of directors on April 25, 2019, which was amended on December 28, 2020 by the board of directors, on the occasion of the review of the recommendations of the Code of Good Governance approved by the National Securities Market Commission in June 2020.

On January 22, 2021, the board of directors approved, among other proposals, the new name of the appointments and remuneration committee, which has been renamed the appointments, remuneration, sustainability and corporate social responsibility committee ("ARS&CSR"), in view of the new functions that the board of directors attributed to this committee as a result of the update of the regulations of the board of directors and the of ARS&CSR committee approved by the board of directors on December 28, 2020 after their adaptation to the content of recommendations 53 and 54 of the Code of Good Governance.

2. Composition

In accordance with the aforementioned provisions, the ARS&CSR committee will be made up exclusively of non-executive directors, with a minimum of three and a maximum of five members, appointed by the board of directors, the majority of whom must be independent directors.

The members of the ARS&CSR committee will be appointed considering the knowledge, skills and experience appropriate to the functions they are called to perform.

Its chairman shall be appointed by the board of directors from among the independent directors who are members of the board of directors and shall be elected for a period of four years, and may be re-elected one or more times, for periods of the same maximum duration. The board of directors shall also appoint a secretary of the committee, who shall not be considered a director.

At present, the composition of the ARS&CSR committee is as follows:

- President: Ms. Lourdes Vega Fernández, independent director.
- Members: Ms. Carme Moragues Josa, independent director and Mr. Eduardo Sánchez Morrondo, external director.

Mr. Daniel Ripley Soria, secretary of the board of directors of Ercros, acts as secretary of said committee.

3. Functions

The main functions of the ARS&CSR committee, set out in article 17 of the board of directors' regulations and in article 3 of its own regulations, are as follows:

1. Assess the necessary knowledge, skills and experience on the board of directors. To this end, it will define the functions and aptitudes of the candidates to fill the vacancies on the board of directors and will evaluate the time and dedication necessary for them to effectively carry out their task.
2. To submit to the board of directors the proposals for the appointment of independent directors for their appointment by co-optation or for their submission to the decision of the general meeting of shareholders, as well as the proposals for the re-election or removal of said directors by the meeting.
3. To inform the board of directors of the proposals for the appointment of the remaining directors for appointment by co-optation or for submission to the decision of the general meeting of shareholders, as well as the proposals for their re-election or removal by the meeting.
4. Establish a representation target for the under-represented sex on the board and develop guidance on how to achieve that target.
5. Arrange for the succession of the president and chief executive, after consultation with the current president and chief executive; and, where appropriate, make proposals to the board so that the succession takes place in an orderly and planned manner.
6. To report on the appointments and dismissals, and the basic conditions of the contracts of senior managers, including executive directors, at the proposal of the chief executive.
7. To propose to the board of directors the maximum amount of annual remuneration of all the directors in their capacity as such, which must be approved by the general meeting, and its distribution among each of them.
8. To propose to the board of directors the individual remuneration of the executive directors and the first level of directors, both in its amount and in its different constituent elements.
9. To verify compliance with the remuneration policy established by the Company and to periodically review its application.
10. Periodically review the remuneration policy applied to directors and senior executives, including share-based remuneration systems and their application, as well as ensure that their individual remuneration is proportionate to that paid to the Company's other directors and senior executives.
11. Verify the accuracy of the information on academic qualifications, remuneration of directors and senior managers contained in the various corporate documents, including the annual report on directors' remuneration.

12. In relation to compliance with the Company's environmental, social and corporate governance policies and rules, as well as internal codes of conduct:
 - (i) Supervise compliance with the Company's corporate governance rules and internal codes of conduct and also ensure that the corporate culture is aligned with its purpose and values.
 - (ii) Supervise, in coordination with the audit committee, the application of the policy relating to the communication of economic-financial, non-financial and corporate information, as well as communication and contacts with shareholders and securities market agents (analysts, institutional investors and proxy advisors) and monitor the way in which the Company communicates and relates to small and medium-sized shareholders.
 - (iii) Evaluate and periodically review the corporate governance system and the Company's corporate social responsibility and sustainability policies, for it to fulfil its mission; to promote the social interest and to consider, as appropriate, the legitimate interests of the other interest groups.
 - (iv) Supervise that the Company's practices in terms of corporate social responsibility and sustainability are in line with the strategy and policy set by the Company.
 - (v) Supervise and evaluate the relationship processes with the different stakeholders.
13. To report on transactions that involve or may involve conflicts of interest and, in general, on the matters referred to in article 28 of the articles of association and in chapter IX of the board of directors' regulations, on the duties and obligations of directors.
14. Ensure that any conflicts of interest do not prejudice the independence of the external advice provided to the committee.

4. Operation

The ARS&CSR committee meets at least once a year to determine remuneration and whenever the chairman of the board of directors requests a report or proposal for appointment, or at the request of at least two of the members of the committee. The committee determines the remuneration of the chairman.

In 2024, the ARS&CSR committee held five meetings, attended by all its members, in which the following issues were discussed.

a) February 6, 2024, meeting:

- Proposal on the appointment of a candidate as an independent director.

b) February 20, 2024, meeting:

- Proposed remuneration of the Company's directors and senior management for the 2024 financial year.
- Annual report on directors' remuneration in 2023.
- Report on the activities of the ARS&CSR committee for the 2023 financial year.
- Renewal of the Company's board of directors in 2024: analysis of the head-hunter's work and documentation submitted.

c) April 19, 2024, meeting:

- Report on the re-election of the executive director and "other external" directors as members of the board of directors.
- Proposal for the re-election of an independent director as a member of the board of directors.
- Report on the re-election of the chairman and chief executive officer of the board of directors.
- Ratification of the Company's contract with the chief executive officer.
- Report on the re-election of the alternate coordinating director of the board of directors.

d) June 28, 2024, meeting:

- Report on the re-election of the chairman of the board of directors.

e) October 28, 2024, meeting:

- Ercros sustainability report for the first half of 2024.
- Presentation on "Sustainability and ESG criteria".

5. Evaluation of the performance of the ARS&CSR committee

At the meeting on February 21, 2025, the board of directors will discuss the annual evaluation of the operation of the ARS&CSR committee, in accordance with the provisions of article 529 *nonies* of the Spanish corporate enterprises act, adopting an action plan for 2025.

6. Adoption of the activity report

This report on the activity of the ARS&CSR committee was approved at its session on February 18, 2025.

Lourdes Vega Fernández
President

Barcelona, February 18, 2025