

Report of the audit committee on related-party transactions during the 2024 financial year

Introduction

On February 18, 2015, the board of the Spanish National Securities Market Commission ("CNMV") approved the code of good governance for listed companies ("CBG"), which was revised in June 2020.

The CBG establishes in its recommendation 6th the following:

"Listed companies that prepare the following reports, whether on a mandatory or voluntary basis, must publish them on their website sufficiently in advance of the holding of the ordinary general meeting, even if their dissemination is not mandatory:

- a) Report on the independence of the auditor.*
- b) Reports on the operation of the audit committees and on appointments and remuneration.*
- c) Report of the audit committee on related-party transactions".*

Likewise, in accordance with the provisions of article 529 *quaterdecies* 4.g) of the Spanish Corporate Enterprises Act ("CEA"), the audit committee must report on the related-party transactions to be approved by the general meeting or the board of directors and supervise the internal procedure established by the company for those whose approval has been delegated.

In the same vein, the regulations of the board of directors of Ercros, S.A. ("Ercros" or "the Company") provide in article 5.3 d) (ii) as a non-delegable power of the board of directors the approval of:

"The transactions that the Company or companies of its Group carry out with directors, under the terms of articles 229 and 230 of the Spanish corporate enterprises act; with shareholders who hold, individually or in concert with others, a significant shareholding, including shareholders represented on the board of directors of the Company or of other companies that are part of the same group, or with persons related to them ("related-party transactions"). This authorisation by the board of directors will not be understood, however, to be required in those related-party transactions that simultaneously meet the following three conditions:

- That they are carried out under contracts whose terms are standardized and applied en masse to many customers.*
- That they are carried out at prices or rates established in general by whoever acts as supplier of the good or service in question.*

- *That its amount does not exceed 1% of the Company's annual income.*

The board of directors must approve related-party transactions following a favourable report from the audit committee and, additionally, following a report from the appointments and remuneration committee in the case of transactions of the Company with a significant shareholder. The affected directors, in addition to not exercising or delegating their right to vote, will be absent from the meeting room while the board of directors deliberates and votes on it."

Related-party transactions

During the 2024 financial year, the audit committee has not been aware of any transaction considered as a related-party transaction, neither by directors nor by significant shareholders or companies related to them.

Conclusions

This committee concludes that during the 2024 financial year there have been no related-party transactions and, consequently, the audit committee has not made any proposal to the board of directors for the approval of related-party transactions.

Carme Moragues Josa
Chair of the audit committee

Barcelona, February 21, 2025