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## ISSUER'S PARTICULARS

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End date of reference financial year 31/12/2023

Employer ID N° A48012009

Company Name:

**DEOLEO, S.A.**

Registered Office:

CARRETERA N-IV, KM. 388, ALCOLEA, CÓRDOBA, 14610

## A. OWNERSHIP STRUCTURE

- A.1** Complete the following table on the share capital and the assigned voting rights, including any rights relating to loyalty shares, at year-end:

Indicate whether the company bylaws provide for double votes for loyalty shares:

No

Yes

Date of last change in the share capital	Share capital	Number of shares	Number of voting rights (not including additional voting rights assigned in relation to loyalty shares)	Number of additional voting rights assigned in relation to loyalty shares	Total number of voting rights, including additional voting rights carried by loyalty shares
24/06/2020	1,000,008.00	500,000,004	500,000,004	0	500,000,004

Indicate whether there are different classes of shares carrying different rights:

Yes

No

- A.2** List the direct and indirect holders of significant ownership interests at year-end, including directors holding a significant ownership interest:

Shareholder's name or company name	% of voting rights attributed to shares		% of voting rights through financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
CVC CAPITAL PARTNERS VI LIMITED	0.00	56.96	0.00	0.00	56.96
JUAN RAMÓN GUILLÉN PRIETO	0.00	5.07	0.00	0.00	5.07

**Detail of indirect ownership interests:**

Shareholder's name or company name	Name or company name of direct shareholder	% of voting rights attributed to shares	% of voting rights through financial instruments	% of total voting rights
JUAN RAMÓN GUILLÉN PRIETO	ACEITES DEL SUR, S.A.	5.07	0.00	5.07
CVC CAPITAL PARTNERS VI LIMITED	OLE INVESTMENTS, BV	56.96	0.00	56.96

Detail the most significant changes in the shareholder structure during the year:

- A.3** Detail the ownership interest, whatever the percentage, held at year-end by the members of the Board of Directors who hold voting rights assigned to the company's shares or through financial instruments, excluding the directors identified in Section A.2 above:

Name or company name of director	% of voting rights assigned to the shares (including voting rights carried by loyalty shares)		% of voting rights through financial instruments		% of total voting rights	Indicate, with respect to the total % of voting rights assigned to the shares, the % of any additional votes assigned in relation to loyalty shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
IGNACIO SILVA ALCALDE	0.03	0.00	0.00	0.00	0.03	0.00	0.00
GIANLUCA BOLLA	0.06	0.00	0.00	0.00	0.06	0.00	0.00
<b>Total</b>	0.09				0.09		

<b>% of total voting rights held by members of the board of directors</b>	0.09%
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Detail of indirect ownership interest:

Name or company name of director	Name or company name of direct shareholder	% of voting rights assigned to the shares (including voting rights carried by loyalty shares)	% of voting rights through financial instruments	% of total voting rights	Indicate, with respect to the total % of voting rights assigned to the shares, the % of any additional votes assigned in relation to loyalty shares
No data					

Detail the percentage of total voting rights held by the board:

<b>% of total voting rights held by the board of directors</b>	57.05%
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**A.4** Indicate, as appropriate, any relationships of a family, commercial, contractual or corporate nature existing between the holders of significant ownership interests, insofar as they are known to the company, unless they have scant relevance or arise from the ordinary course of business, except for those included in section A.6:

Name or company name of related parties	Type of relationship	Brief description
No data		

**A.5** Indicate, as appropriate, any relationships of a commercial, contractual or corporate nature existing between the holders of significant ownership interests and the company and/or its group, unless they have scant relevance or arise from the ordinary course of business:

Name or company name of related parties	Type of relationship	Brief description
ADVANTAGE SALES & MARKETING LLC - CVC CAPITAL PARTNERS VI LTD	Commercial	Product marketing, promotion and distribution services
ADVANTAGE SALES & MARKETING CANADA - CVC CAPITAL PARTNERS VI LTD	Commercial	Product marketing, promotion and distribution services
TMF GROUP - CVC CAPITAL PARTNERS VI LTD	Commercial	Administrative, accounting, tax advisory and payroll services
GAS NATURAL COMERCIALIZADORA, S.A. (NATURGY ENERGY GROUP, S.A.) - CVC CAPITAL PARTNERS VI LTD	Commercial	Natural gas supply
ECOVDAS SAS - CVC CAPITAL PARTNERS VI LTD	Commercial	CSR rating
Lenders of the borrowings who are, in turn, shareholders of Deoleo Holding, S.L.	Contractual	Senior Financing Agreement and Junior Financing Agreement with a nominal amount of EUR 15.610 thousand outstanding at 31 December 2023.

**A.6** Describe the relationships, unless they have scant relevance for both parties, existing between the significant shareholders or shareholders represented on the board and the directors, or their representatives in the case of directors that are legal persons.

Explain, where appropriate, how significant shareholders are represented. Specifically, indicate any directors who have been appointed on behalf of significant shareholders, those whose appointment was supported by significant shareholders, or who are related to significant shareholders and/or entities in their group, specifying the nature of such relationships. In particular, mention, as appropriate, the existence, identity and position of any board members, or representatives of board members, of the listed company, who are, in turn, members of the management body, or their representatives, at companies that hold significant ownership interests in the listed company or at group companies of these significant shareholders.

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the significant shareholder's group company	Description of relationship/position
JUAN ARBIDE ESTENSORO	OLE INVESTMENTS, BV	CVC CAPITAL PARTNERS VI LIMITED	PROPIETARY DIRECTOR
ROCÍO HERVELLA DURÁNTEZ	OLE INVESTMENTS, BV	CVC CAPITAL PARTNERS VI LIMITED	PROPIETARY DIRECTOR
FERNANDO VALDÉS BUENO	OLE INVESTMENTS, BV	CVC CAPITAL PARTNERS VI LIMITED	PROPIETARY DIRECTOR

**A.7** Indicate whether any shareholders agreements affecting the company have been disclosed to it pursuant to Articles 530 and 531 of the Spanish Limited Liability Companies Law. Where appropriate, provide a brief description of the shareholders agreements and list the shareholders bound by them:

Yes  No

Indicate whether the company is aware of any concerted action among its shareholders. Give a brief description, where applicable:

Yes  No

Expressly indicate any amendment to or termination of such agreements or concerted action during the year:

**A.8** Indicate whether there is any individual or legal entity that exercises, or can exercise, control over the company, in accordance with Article 5 of the Spanish Securities Market Law. If applicable, identify the individual or legal entity:

Yes  No

Name or company name
CVC CAPITAL PARTNERS VI LIMITED.

Observations
CVC CAPITAL PARTNERS VI LIMITED exercises control over the Company, as it holds a majority of the voting rights indirectly through OLE INVESTMENTS, BV.

**A.9** Fill out the following tables on the company's treasury shares:

At year-end:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
		0.00

(\*) Through:

Name or company name of direct shareholder	Number of direct shares
NO DATA	

**A.10** Specify the conditions and period of the current authorisation granted by the shareholders' meeting to the Board of Directors to issue, repurchase or transfer treasury shares.

The Ordinary General Meeting of Shareholders of Deoleo, S.A. agreed on June 28, 2018 to authorize the acquisition of shares of the Company at maximum and minimum prices in accordance with pre-established conditions. The authorization had a duration of 5 years, that is, until June 28, 2023.

The Company's Board of Directors has not submitted said authorization for renewal by the Ordinary General Shareholders' Meeting as its financing was not possible in accordance with the clauses of the new loan contracts signed by the Group on June 24, 2020.

**A.11** Estimated free float:

	%
Estimated free float	38 %

**A.12** Indicate whether there is any restriction (in the bylaws or legislation, or of any other nature) on the transfer of securities or on voting rights. In particular, indicate the existence of any type of restriction that could hamper acquisition of control of the company through the purchase of its

shares in the market, and any prior authorisation or communication regimes applicable to the company under industry legislation in relation to the acquisition or transfer of its financial instruments.

Yes  No **X**

**A.13** Indicate whether the general meeting has resolved to take measures to neutralise a takeover bid under Law 6/2007.

Yes  No **X**

Where applicable, explain the measures adopted and the terms under which the restrictions shall be rendered ineffective:

**A.14** Indicate whether the company has issued securities not traded in a regulated market of the European Union.

Yes  No **X**

Where applicable, identify the various classes of shares and, for each class of shares, the rights and obligations they carry.

## B. GENERAL MEETING

**B.1** Indicate whether the quorums for convening the General Meeting differ from the system of minimum quorums established in the Spanish Limited Liability Companies Law (LSC) and, where appropriate, give details.

Yes  No **X**

**B.2** Indicate whether there are any differences between the company's system for adopting corporate resolutions and the system established in the LSC and, where appropriate, give details:

Yes **X** No

	Qualified majority other than that established in Article 201.2 of the LSC for the scenarios envisaged in Article 194.1 of the LSC	Other scenarios of qualified majority
% established by the company for the adoption of resolutions	60 %	60%

The difference is that, for valid approval of the resolutions detailed below, Article 23 of the bylaws indicates that the affirmative vote of at least 60% of the share capital attending or represented by proxy at the General Meeting is required:

- Amendment of the Company object.
- Transfer of registered office to a foreign country.
- Issuance of Company shares and of securities convertible into Company shares, with disapplication of pre-emption rights, and the delegation of this power to the Board of Directors.
- Creation or modification of special classes or series of shares other than ordinary shares.
- Liquidation, merger, spin-off, global transfer of assets and liabilities or alteration of the legal form of the Company and petition for initiation of insolvency proceedings.
- Amendment of Articles 23 and 30 of the bylaws.

- B.3** Indicate the applicable rules on amendments to the company's bylaws. In particular, indicate the majorities required to amend the bylaws and, where applicable, the rules provided for safeguarding shareholders' rights when amending the bylaws.

Pursuant to Article 23 of the bylaws, the resolutions of the General Meeting must be adopted by virtue of the voting majorities required by law or in accordance with the bylaws.

Accordingly, in conformity with the legally envisaged majorities, a resolution adopted by absolute majority is sufficient to amend the bylaws if the share capital attending or represented by proxy exceeds 50% of the voting rights.

However, pursuant to the aforementioned Article 23 of the bylaws, the following resolutions require the affirmative vote of at least 60% of the share capital attending or represented by proxy at the General Meeting in order to be validly approved:

- a) Amendment of the Company object.
- b) Transfer of registered office to a foreign country.
- c) Issuance of Company shares and of securities convertible into Company shares, with disapplication of pre-emption rights, and the delegation of this power to the Board of Directors.
- d) Creation or modification of special classes or series of shares other than ordinary shares.
- e) Liquidation, merger, spin-off, global transfer of assets and liabilities or alteration of the legal form of the Company and petition for initiation of insolvency proceedings.
- f) Amendment of Articles 23 and 30 of the bylaws.

Notwithstanding the foregoing, pursuant to Article 201.2 of the Consolidated Spanish Public Limited Liability Companies Law (TRLSC), in order to amend the bylaws, the affirmative vote of two thirds of the share capital attending or represented by proxy at the General Meeting (66.66%) is required when at second call the shareholders in attendance represent twenty-five per cent or more, but less than fifty per cent, of the subscribed share capital with voting rights.

- B.4** Indicate the attendance figures for the General Meetings held in the year to which this report refers and in the two preceding years:

Date of General Meeting	% attendance in person-remote attendance	% attendance by proxy	% remote voting		Total	A. Free float % attendance in person	C. Free float % attendance by proxy	C. Free float % remote voting		Total
			Electronic voting	Other				C. Free float - Electronic voting	C. Free float - Other	
01/06/2021	57.08	1.46	0.03	0.02	58.59	0.12	1.46	0.03	0.02	1.63
01/06/2022	57.40	1.24	0.13	0.04	58.81	0.43	1.24	0.13	0.04	1.84
24/05/2023	57,23	1,47	0,05	0,09	58,84	0,27	1,47	0,05	0,09	1,88

- B.5** Indicate whether, at the General Meetings held in the year, there was any point of the agenda that was not approved by the shareholders for any reason.

Yes  No

- B.6** Indicate whether the bylaws contain any restrictions with respect to a minimum number of shares required to attend General Meetings or to vote remotely:

Yes  No

Number of shares required to attend General Meetings	250
Number of shares required to vote remotely	1

- B.7** Indicate whether certain decisions, other than those established by law, involving acquisitions, disposals or contributions of key operating assets to other companies, or other similar

corporate transactions, must be submitted to the General Meeting for approval.

Yes

No

**B.8** Indicate the URL and the means of accessing corporate governance content and other information on General Meetings that must be made available to the shareholders on the company's website.

The Deoleo Group's website can be accessed at [www.deoleo.com](http://www.deoleo.com) and, once on the site, access to the corporate content, based on the recommendations of Circular 3/2015, of 23 June, is obtained as follows:

Once the visitor is on the website, the page shown is the home page. At the top of the page, among other sections, appears a section called "Shareholders".

On clicking on this section, the following options will drop down, giving access to the information below:

- Public notifications.
  - Significant events.
  - Insider information.
  - Other relevant information.
- Economic and financial information.
  - Periodic public information.
  - Audited financial statements.
  - Period of payment to suppliers.
  - Rating.
- General information about the Company.
  - The share and the share capital.
  - Dividends.
  - Issuance and admission to trading.
  - Bylaws.
  - Significant ownership interests and treasury shares.
    - o Notification of voting rights and financial instruments.
    - o Own shares (Treasury shares).
    - o Executive and related-party notifications.
  - Remuneration Report.
- Corporate governance.
  - Regulations.
  - Shareholders agreements.
  - Board of Directors.
  - Annual Corporate Governance Report.
  - Reports on Directors' Remuneration.
  - Board Committees.
- General Meeting.
  - Call Notice and Agenda.
  - Number of shares and voting rights.
  - Documentation.
  - Right to information.
  - Right to attendance and right to appoint a proxy.
  - Instructions for remote attendance of the General Meeting.
  - Attendance cards, proxy cards and remote voting.
  - Electronic forum for shareholders.
  - Instructions for vote delegation, voting and remote attendance.
  - Remote attendance of the General Meeting.
  - Prior General Meetings.
- Investor/Shareholder Area.
  - Stock market information.
  - Analyst information.
- Sustainability Reports.
- Shareholder services.



## C. MANAGEMENT STRUCTURE OF THE COMPANY

### C.1 Board of Directors

C.1.1 Maximum and minimum number of directors provided for in the bylaws and the number set by the General Meeting:

Maximum number of directors	10
Minimum number of directors	5
Number of directors set by the General Meeting	7

<b>Observations</b>
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The number of directors established by the General Meeting is seven; however at the date of this report, the Board of Directors of Deoleo, S.A. was composed of six members.

C.1.2 Fill out the following table with the Board members' particulars:

Name or company name of director	Representative	Category of director	Position on the Board	Date of first appointment	Date of most recent appointment	Appointment procedure
FERNANDO VALDÉS BUENO		Proprietary	DIRECTOR	23/03/2015	24/05/2023	RESOLUTION OF GENERAL MEETING
ROCÍO HERVELLA DURÁNTEZ		Proprietary	DIRECTOR	26/10/2021	26/10/2021	CO-OPTATION PROCEDURE
JUAN IGNACIO SILVA ALCALDE		Executive	CHAIR AND CHIEF EXECUTIVE OFFICER	12/04/2019	24/05/2023	RESOLUTION OF GENERAL MEETING
JUAN ARBIDE ESTENSORO		Proprietary	DIRECTOR	19/05/2023	19/05/2023	CO-OPTATION PROCEDURE
ARÁNZAZU CORDERO HERNÁNDEZ		Independent	DIRECTOR	21/02/2023	24/05/2023	RESOLUTION OF GENERAL MEETING
GIANLUCA BOLLA		Independent	INDEPENDENT COORDINATING DIRECTOR	07/09/2016	01/06/2022	RESOLUTION OF GENERAL MEETING

<b>Total number of directors</b>	<b>6</b>
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Indicate any vacation of office—whether by resignation or removal by resolution of the General Meeting—by Board members during the reporting period:

Name or company name of director	Category of director on date of vacation of office	Date of most recent appointment	Date of departure	Specialist committees of which the director was a member	Indicate whether office was vacated prior to end of the term of office

THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.	PROPRIETARY	03/06/2019	16/05/2023	- AUDIT AND CONTROL COMMITTEE - NOMINATION AND REMUNERATION COMMITTEE	YES
APRIL ADAMS	INDEPENDENT	27/07/2021	01/01/2023	- AUDIT AND CONTROL COMMITTEE - NOMINATION AND REMUNERATION COMMITTEE	YES

C.1.3 Complete the following tables on the members of the Board and their status:

**EXECUTIVE DIRECTORS**

Name or company name of director	Position per company organisational chart	Profile
JUAN IGNACIO SILVA ALCALDE	CHAIR AND CHIEF EXECUTIVE OFFICER	Until December 2018 Ignacio Silva headed the business of the Japanese soft drinks multinational Suntory Schweppes in Southern Europe. Having joined this company in 2011, a year later he took up the position of CEO Iberia, and five years later he added to his responsibilities the control of the other Southern European countries. Throughout these years the company positioned itself as a benchmark in the soft drinks market in this region. He is a graduate in Economics from Universitat de Barcelona, and completed postgraduate studies at Università degli Studi di Siena and the IESE Business School. Ignacio Silva has more than twenty-five years of experience in the consumer goods market. He also has extensive experience in the world of associations, and has acted as chairperson of the Spanish Federation of Food and Drinks Industries ("FIAB") since December 2022.

<b>Total number of executive directors</b>	1
<b>% of total members of Board of Directors</b>	16.67

**PROPRIETARY NON-EXECUTIVE DIRECTORS**

Name or company name of director	Name or company name of significant shareholder represented or proposing appointment	Profile
FERNANDO VALDÉS BUENO	CVC CAPITAL PARTNERS VI LIMITED	Fernando Valdés is a graduate in Chemistry from Universidad Complutense de Madrid and he studied Retail Management at the University of Southern California; he also took a Senior Executive Programme at Stanford University. He spent 19 years at Unilever, occupying various positions in the commercial area until he became General Manager of the Household Products and Personal Care Division of Unilever Spain and a member of the managing body of Unilever in Spain. In 2005 he joined Campofrío Spain as General Manager, and was later made General Manager for Spain and Portugal. In 2012 he was appointed Markets Chairperson of the

		<p>Campofrío group, a position he occupied until his appointment in 2013 as CEO of the Campofrío group (Portugal, Spain, France, Italy, Belgium, the Netherlands, Germany, the US and exports to 60 countries), where he remained until January 2016. He was an advisory director for Europe of the Sigma group, the owner of Campofrío, and acted as adviser to the CEO in 2016.</p> <p>He is currently an independent director of Pescanova and chairman of the company's strategy committee, a director of Deoleo, a director of FRUSELVA and a director of the Spanish Federation of Food and Drinks Industries (FIAB). He is also a member of the Advisory Board of the Spanish Association of Advertisers ("AEA") and Chair of the media auditor INTROL/OJD. He was Chair of the Spanish Advertising Self-Regulatory Association for three years and Chair of the AEA for four years. He was a member of the Advisory Board of RTVE, representing the AEA, and was a member of the Marketing Advisory Board of the ESADE business school in Madrid. He has been a member of the Boards of Directors of various companies/associations such as ECOEMBES, ANICE, Adigital, STAMPA, ADELMA and CALIDALIA.</p>
ROCÍO HERVELLA DURÁNTEZ	CVC CAPITAL PARTNERS VI LIMITED	<p>Rocío Hervella is a graduate in Law from Universidad de Valladolid and has an MBA from Instituto de Empresa, among other postgraduate qualifications. Rocío Hervella is the founder and CEO of PROSOL, a leading company in the coffee industry with more than 20 years' experience, and has chaired the Spanish Coffee Association (AECAFE) since January 2019. She has an extensive track record in associations and for more than five years she served as the deputy chair of the Spanish Federation of Food and Drinks Industries (FIAB), leading the areas of internationalisation and innovation and environment.</p>
JUAN ARBIDE ESTENSORO	CVC CAPITAL PARTNERS VI LIMITED	<p>Juan Arbide Estensoro graduated in Industrial Engineering from Universidad de Navarra and holds a Master's Degree in Business Administration from Columbia University. He is currently managing director of CVC Capital Partners, which he joined in 2011 from Atlas Capital Private Equity, a firm at which he worked for three years.</p>

<b>Total number of proprietary directors</b>	3
<b>% of total members of Board of Directors</b>	50.00

**INDEPENDENT NON-EXECUTIVE DIRECTORS**

Name or company name of director	Profile
ARÁNZAZU CORDERO HERNÁNDEZ	Ms. Aránzazu Cordero Hernández has more than 28 years of experience working for two of the main world leaders in the food and consumer goods sector, such as Unilever and Danone. An expert in strategic and business management, marketing, sales, sustainability and innovation, she has led several of Unilever's main businesses and brands in different countries with extensive international experience. Currently, at Danone, she is Global Senior Vice President of the dairy category, leading the category's global strategy at a business and sustainability level and the strategy and activity of the brand portfolio at a global level. Additionally, she sits on the Adweek Sustainability Council and is a member of the Global Creative Council for Bayer Consumer Health. She has a degree in Law and Economics from the Pontifical University of Comillas.
GIANLUCA BOLLA	Graduate in Economics from Università degli Studi di Verona (Italy) (1983) and holder of a Master's Degree in Business Administration from UCLA (US) and a Master's Degree in Organisational Change Management from Harvard Business School, Cambridge (US) (2003). He has more than 20 years' experience in the food industry, having spent most of his career at Barilla G.e.R.F.lli S.P.A. Between 1986 and 2007 he held various positions in this group, such as general manager of Emerging Consumer Markets, director of Western Europe Markets, CEO of the Global Pasta and Sauces Business, and CEO of Barilla from 2003 to 2007. He is a member of the Board of Directors of Spumanti Valdo S.r.l.

<b>Total number of independent directors</b>	2
<b>% of total members of Board of Directors</b>	33.33

Indicate whether any director classified as independent receives from the company, or its group, any amount or benefit other than directors' remuneration, or has, or has had in the last year, a business relationship with the company or any company in its group, either in their own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

Where applicable, include a statement from the Board detailing the reasons why the director in question may carry on their duties as an independent director.

Name or company name of director	Description of the relationship	Stated reasons
No data		

**OTHER NON-EXECUTIVE DIRECTORS**

Identify the other non-executive directors and explain the reasons why they cannot be considered independent or proprietary directors, and detail their relationships with the company, its executives or its shareholders:

Name or company name of director	Reasons	Company, executive or shareholder with whom the relationship is maintained	Profile
No data			

<b>Total number of other non-executive directors</b>	N.A.
<b>% of total members of Board of Directors</b>	N.A.

Indicate any changes in the category of each director during the year:

Name or company name of director	Date of change	Previous category	Current category
No data			

C.1.4 Fill out the following table on the number of female directors at year-end for the last four years and their respective categories:

	Number of female directors				% of total directors in each category			
	Year 2023	Year 2022	Year 2021	Year 2020	Year 2023	Year 2022	Year 2021	Year 2020
<b>Executive</b>	0	0	0	0	0.00	0.00	0.00	0.00
<b>Proprietary</b>	1	1	1	0	33.33	33.33	33.33	0.00
<b>Independent</b>	1	1	1	0	50.00	50.00	50.00	0.00
<b>Other non-executive directors</b>	0	0	0	0	0.00	0.00	0.00	0.00
<b>Total:</b>	2	2	2	0	33.33	33.33	33.33	0.00

C.1.5 Indicate whether the company has any diversity policies in relation to its Board of Directors with regard to matters such as, for example, age, gender, disabilities and professional training and experience. Small and medium enterprises, in accordance with the definition in the Spanish Audit Law, must report on, at least, the gender diversity policy that they have in place.

Yes

No

Partial policies

If “yes”, describe these diversity policies, their objectives, the related measures, the manner in which they have been applied and the results obtained in the year. Also, the specific measures adopted by the Board of Directors and the Nomination and Remuneration Committee to achieve a balanced and diverse presence of directors must be indicated.

If the company does not apply a diversity policy, explain the reasons why.

Description of the policies, objectives, measures and the manner in which they have been applied, as well as the results obtained
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Article 5.4.hh) of the Board Regulations establishes that one of the functions of the Board of Directors is to approve a policy aimed at promoting an appropriate composition of the Board that should: (i) be specific and verifiable; (ii) ensure that appointment or re-election proposals are based on a preliminary analysis of the competencies required by the Board of Directors; and (iii) favour diversity of knowledge, experience, age and gender.

The diversity policy applied in relation to the Board of Directors is as follows:

With regard to the diversity objective in the broadest sense, DEOLEO attempts to ensure that diversity extends to gender, experience, knowledge, age, length of service, etc. and it aims to apply policies and procedures that guarantee a reasonable balance and diversity throughout the organisation, which reflects the Company’s concern for diversity and equality in the pursuit of a balance of skills and expertise on the Board of Directors and across the organisation as a whole.

Proposals for the appointment of directors are based on a preliminary analysis of the needs of the Board, the Audit and Control Committee and the Nomination and Remuneration Committee. Specifically, the Company’s corporate governance rules and the actions of the governing bodies are inspired by the objective of integrating differing types of experience and professional and management skills (including, among others, those specific to the business carried on by the Company, as well as to economic and financial matters, accounting, audit, internal control and business risk management).

Gender: the director selection policy approved by the Board of Directors on 27 July 2021, currently in force, is available for consultation on the website of Deoleo, S.A.: [www.deoleo.com](http://www.deoleo.com).

- C.1.6 Explain any measures agreed upon by the Nomination Committee to ensure that the selection procedures are not affected by any implicit bias hindering the appointment of female directors, that the company deliberately seeks, and includes as potential candidates, women who have the required professional profile, and that a balanced representation of women and men is achieved. Also indicate whether these measures include encouraging the company to have a significant number of women in senior executive positions:

**Explanation of measures**

As stated in the previous section, in order to guarantee that neither the Nomination and Remuneration Committee nor the Board of Directors are affected by implicit bias when selecting directors, the candidates participating in the selection process are evaluated by taking into consideration their professionalism, competence, and experience, all this in accordance to the director selection policy.

If the number of female directors or senior executives is scant or non-existent despite the measures that may have been adopted, explain the reasons for this situation:

**Explanation of the reasons**

During the year 2023, the number of female directors has represented 33% of total members of Board of Directors.

- C.1.7 Explain the Nomination Committee's conclusions regarding verification of compliance with the policy aimed at favouring an appropriate composition of the Board of Directors.

The director selection policy is compliant with national and international corporate governance practices with regard to appointments, seeking a diversity of knowledge, experience and genders within the Board of Directors. There is an express commitment to avoid any implicit bias that might hinder the selection of female directors. Accordingly, the Nomination Committee promotes the designation of those professionals that best fit the profile being sought, avoiding any type of difference or implicit bias that might entail discrimination of any kind and hinder the selection of people of one or other gender.

- C.1.8 Explain, where applicable, the reasons why proprietary directors were appointed at the request of shareholders holding ownership interests of less than 3% of the share capital:

Shareholder's name or company name	Reason
No data	

Indicate whether any formal requests for Board representation were not entertained from shareholders with ownership interests equal to or exceeding those of others at whose request proprietary directors were appointed. If so, explain the reasons why the request was not entertained:

Yes

No

- C.1.9 Indicate, if any, the powers, including those relating to the possibility of issuing or repurchasing shares, delegated to directors or Board Committees by the Board of Directors:

Name or corporate name of director or committee	Brief description
JUAN IGNACIO SILVA ALCALDE	The Chief Executive Officer has all the powers of the Board of Directors delegated to him, except those that cannot be delegated in accordance with the law, the Company bylaws, or the Board of Directors Regulations.

**C.1.10 Identify any Board members who hold office as directors, representatives of directors or executives at other companies forming part of the listed company's group:**

Name or company name of director	Company name of group company	Position	Does the Board member perform executive duties?
FERNANDO VALDÉS BUENO	DEOLEO HOLDING, S.L.	CHAIRPERSON	NO
FERNANDO VALDÉS BUENO	DEOLEO UK LIMITED	DIRECTOR	NO
ROCÍO HERVELLA DURÁNTEZ	DEOLEO UK LIMITED	DIRECTOR	NO
ROCÍO HERVELLA DURÁNTEZ	DEOLEO HOLDING, S.L.	DIRECTOR	NO
JUAN IGNACIO SILVA ALCALDE	DEOLEO INDUSTRIAL MEXICO, S.A. DE C.V.	CHAIRPERSON	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO COMERCIAL MEXICO, S.A. DE C.V.	CHAIRPERSON	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO (SOUTH EAST ASIA) SDN, BHD	DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	CARAPPELLI FIRENZE USA, INC	CHAIRPERSON	YES
JUAN IGNACIO SILVA ALCALDE	CARAPPELLI FIRENZE, S.P.A.	CHAIRPERSON AND CHIEF EXECUTIVE OFFICER	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO INDIA PRIVATE LIMITED	DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	CAMA, S.A.	DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	CIMARIZ, S.A.	DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	CARAPPELLI USA, LLC	CHAIRPERSON	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO ANTILLES GUYANE	SOLE DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO CANADA LIMITED	CHAIRPERSON	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO USA, INC	CHAIRPERSON	YES

JUAN IGNACIO SILVA ALCALDE	DEOLEO UK LIMITED	CHAIRPERSON	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO BELGIUM, BV	DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO COLOMBIA, SAS	DIRECTOR ACTING SEVERALLY	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO FINANCIAL LIMITED	CHAIRPERSON	YES
JUAN IGNACIO SILVA ALCALDE	ACEITES ELOSÚA, S.A.	JOINT DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	CETRO ACEITUNAS, S.A.	JOINT DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO GLOBAL, S.A.	SOLE DIRECTOR	YES
JUAN IGNACIO SILVA ALCALDE	DEOLEO DEUTSCHLAND GMBH	DIRECTOR	YES
JUAN ARBIDE ESTENSORO	DEOLEO HOLDING, S.L.	REPRESENTATIVE OF DIRECTOR (THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.)	NO
JUAN ARBIDE ESTENSORO	DEOLEO UK LIMITED	REPRESENTATIVE OF DIRECTOR (THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.)	NO
JUAN ARBIDE ESTENSORO	DEOLEO FINANCIAL LIMITED	REPRESENTATIVE OF DIRECTOR (THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.)	NO
GIANLUCA BOLLA	DEOLEO UK LIMITED	DIRECTOR	NO
ARÁNZAZU CORDERO HERNÁNDEZ	DEOLEO UK LIMITED	DIRECTOR	NO

C.1.11 Detail the offices of board member, director or representative thereof held by the company's board members or representatives of its board members at other listed or unlisted companies:

Board member or representative	Company name of listed or unlisted company	Position
FERNANDO VALDÉS BUENO	RNB	BOARD MEMBER
FERNANDO VALDÉS BUENO	LANINVER	BOARD MEMBER



FERNANDO VALDÉS BUENO	DELAFRUIT	BOARD MEMBER
FERNANDO VALDÉS BUENO	INFORMACIÓN Y CONTROL DE PUBLICACIONES, S.A.	CHAIRPERSON
FERNANDO VALDÉS BUENO	VARMA	BOARD MEMBER
ROCÍO HERVELLA DURÁNTEZ	LA MAGDALENA 2020, S.L.	SOLE DIRECTOR
ROCÍO HERVELLA DURÁNTEZ	PRODUCTOS SOLUBLES, S.A. (PROSOL)	SOLE DIRECTOR
ROCÍO HERVELLA DURÁNTEZ	LOS PALMEROS 2020, S.L.U.	SOLE DIRECTOR
ROCÍO HERVELLA DURÁNTEZ	SUPRACAFÉ, S.A.	SHAREHOLDER – MEMBER OF THE BOARD OF DIRECTORS
GIANLUCA BOLLA	SPUMANTI VALDO S.R.L., CÍA. PRIVADA ITALIANA FAMILIAR	BOARD MEMBER
JUAN ARBIDE ESTENSORO	BARANOA DIRECTORSHIPS, S.L.	BOARD MEMBER
JUAN IGNACIO SILVA ALCALDE	FIAB (THE SPANISH FEDERATION OF FOOD AND DRINK INDUSTRIES)	CHAIR
JUAN IGNACIO SILVA ALCALDE	ECOEMBALAJES ESPAÑA, S.A.	BOARD MEMBER

Indicate, as applicable, the other paid activities of the board members or representatives of the board members, whatever the nature thereof, different from those included in the above table.

Board member or representative	Other paid activities
FERNANDO VALDÉS BUENO	- Independent director of Pescanova and chair of the company's Strategy Committee. - Director of FRUSELVA - Director of the Spanish Federation of Food and Drinks Industries ("FIAB"). - Member of the Advisory Board of the Spanish Association of Advertisers ("AEA") and Chair of the media auditor INTROL/OJD.
ROCÍO HERVELLA DURÁNTEZ	- Chief Executive Officer of Productos Solubles, S.A. (PROSOL).
JUAN ARBIDE ESTENSORO	- Director of CVC Investment Advisory Services, S.L.
ARÁNZAZU CORDERO HERNÁNDEZ	- Global Senior Vice President of the dairy category of Danone, S.A.

C.1.12 Indicate and, where appropriate, explain whether the company has established rules on the maximum number of company boards on which its directors may sit, giving details, where appropriate, of where this is regulated:

Yes  No

C.1.13 Indicate the amounts of the following items relating to the overall remuneration of the Board of Directors:

Remuneration accrued in the year for the Board of Directors (in thousands of euros)	967
Amount of the funds accumulated by the current board members arising from long-term saving schemes with vested economic rights (in thousands of euros)	
Amount of the funds accumulated by the current board members arising from long-term saving schemes with unvested economic rights (in thousands of euros)	
Amount of the funds accumulated by the former board members arising from long-term saving schemes (in thousands of euros)	

C.1.14 Identify the senior executives who are not executive directors and indicate the total remuneration accruing to them in the year:

Name or company name	Position(s)
MIGUEL ÁNGEL GUZMÁN GONZÁLEZ	GENERAL MANAGER - SALES
AGUSTÍN USALLÁN SÁNCHEZ	MANAGER - INTERNAL AUDIT
CARLOS SÁNCHEZ PLAZA	GENERAL MANAGER - OPERATIONS
JUAN MOLERES VIDAL	GENERAL MANAGER - HUMAN RESOURCES
LUIS MIGUEL ALGAR BLÁZQUEZ	MANAGER - RAW MATERIAL PURCHASES SPAIN
RAFAEL PÉREZ DE TORO	GENERAL MANAGER - GLOBAL QUALITY
CARMEN COLLAR FERNÁNDEZ	MANAGER - LEGAL ADVISORY
MARÍA MARTHA LUCHETTI CABARCOS	GENERAL MANAGER - MARKETING AND INNOVATION
ENRICO POGGI	MANAGER - RAW MATERIAL PURCHASES ITALY AND COORDINATOR
JOSÉ ANTONIO BONACHE APARISI	MANAGER - COMMUNICATION
JORGE JIMENEZ FERNÁNDEZ	MANAGER – ACCOUNTING & ADMINISTRATION, CAPITAL MARKETS AND TAX PLANNING
MARÍA PILAR MARTÍNEZ FRESNEDA	MANAGER – GLOBAL CONTROL, TREASURY AND INFORMATION SYSTEMS

Number of women in senior executive positions	3
Women as a percentage of total number of senior executives	25%

Total remuneration of senior executives (in thousands of euros)	2,717
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C.1.15 Indicate whether any amendments were made to the Board Regulations during the year:

Yes

No X

Description of amendments
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C.1.16 Indicate the procedures for the selection, appointment, re-election and removal of directors. Give details of the competent bodies, the formalities to be fulfilled and the criteria to be used in each of the procedures.

Articles 25, 26 and 28 of the bylaws determine the composition, term and renewal of positions and the appointment of the Chairperson, Deputy Chairpersons, Coordinating Director, Secretary and Deputy Secretary of the Board.

Articles 8, 9, 10, 11, 12, 13, 14 and 15 of the Board Regulations determine the quantitative and qualitative composition of the Board, the appointment of executive and non-executive directors, the term of office, the re-election of directors, the removal thereof and the criteria to be followed in the votes on appointment, re-election and removal proposals. The directors shall be appointed by the General Meeting or, provisionally, by the Board in accordance with the provisions of the law and the bylaws.

Proposals for the appointment of directors submitted by the Board for the consideration of the General Meeting and the appointment resolutions adopted by that body by virtue of the co-optation powers legally attributed to it must respect the Regulations and shall be made at the proposal of the Nomination and Remuneration Committee, in the case of independent directors, and following a report from that Committee in the case of all other directors. The proposal must be accompanied by a supporting report from the Board in which an assessment is made of the competence, experience and merits of the candidate and which shall be attached to the General Meeting or Board minutes. Proprietary directors must be appointed from among the persons proposed by the respective holders of stable significant shareholdings.

For the appointment of non-executive directors the Board and the Nomination and Remuneration Committee shall endeavour to elect persons recognised for their solvency, competence and experience, and who are willing to dedicate sufficient time to the Company.

For the purpose of filling the posts of independent directors, the Board shall propose or designate persons who meet the conditions set forth in Article 9.4 of the Regulations. In any event, persons who find themselves subject to any situation of incapacity, disqualification, prohibition or incompatibility established by law may not be proposed. Any person who directly or indirectly has an interest of any kind or has an employment, professional or commercial relationship, or a relationship of any other nature, with competing companies shall be incompatible for the performance of the duties of a director, except when the Board agrees to their dispensation with the vote in favour of at least 70% of its members.

Term of office: the maximum term established in the bylaws, with the possibility of re-election once or more times for equal periods. However, directors having the status of independent directors may not remain in office for a continuous period of more than 12 years, except where they become a different category of director.

The directors appointed by co-optation shall hold office until the date of the earliest General Meeting to be held. Directors who resign from office or vacate their position may not, for two years, hold the same position at another entity whose company object is similar or analogous to that of the Company or its Group. The Board, if it deems it appropriate, may release the outgoing director from this obligation.

The proposals for the re-election of directors that the Board decides to submit to the General Meeting must respect the Regulations and be preceded by the corresponding supporting report from the Board and, in addition, in the case of non-independent directors, by the corresponding report issued by the Nomination and Remuneration Committee. The directors affected by proposals for appointment, re-election or removal shall refrain from participating in the deliberations and votes concerning those proposals.

All Board votes regarding the appointment, re-election or removal of directors will be secret if so requested by any of its members and without prejudice to the right of all directors to record how they vote in the minutes.

Without prejudice to any other mission that the Board may assign it, the Nomination and Remuneration Committee shall have the following powers: to formulate and review the criteria to be adopted for the composition of the Board of Directors and the selection of candidates; to propose to the Board the remuneration policy and the basic terms and conditions of the contracts of the senior executives; to propose to the Board the remuneration of executive directors and other terms and conditions of their contracts; to determine the remuneration regime for the Chairperson and, where appropriate, the Chief Executive Officer; to examine or organise the succession of the Chairperson and the Chief Executive Officer; to propose to the Board the remuneration system for directors and review this remuneration periodically; to report on incentive plans; to carry out an annual review of the remuneration policy for directors and

senior executives; to report on the proposals for the appointment of the members of the Executive Committee and the other Board Committees; to prepare and keep a record of the situations of directors and senior executives; and such other powers as are assigned to this Committee in the Regulations.

The Board shall be informed of all the actions carried out by the Nomination and Remuneration Committee, at the earliest meeting of the Board, and the related documentation shall be made available to it so that it becomes apprised of such actions for the purpose of exercising its powers.

In relation to the evaluation of the Board, as established in Article 21.4 of the Regulations, the Board will evaluate annually, on the occasion of the approval of the Annual Corporate Governance Report: a) its functioning and the quality of its work; b) the performance of the functions and the composition of the Board Committees; c) the diversity in the composition and competencies of the Board; d) the performance of the President of the Board and the Chief Executive Office of the Company; e) The performance and contribution of each director, with particular attention to the members of the different Board Committees.

Regarding the removal of directors, it should be noted that in accordance with Article 14 of the Board Regulations, directors shall vacate office once their period of tenure has expired or when the General Meeting so decides, in exercise of the powers vested in it by law or under the bylaws.

The Board shall only propose the removal of independent directors before expiry of the bylaw-stipulated period for which they were appointed when just cause is found to exist by the Board of Directors, following a proposal from the Nomination Committee.

Directors must place their position at the disposal of the Board of Directors and, if the latter considers it appropriate, tender their resignation in the following cases:

- a) When they cease to hold the executive positions with which their appointment as director was associated or when the reasons for which they were appointed no longer exist, it being understood that such circumstance applies to a proprietary director when the entity or business group they represent ceases to hold a significant ownership interest in the share capital of the Company or when, in the case of an independent director, they join the executive line of the Company or of any of its subsidiaries.
- b) If they find themselves subject to any of the situations of incompatibility or prohibition legally provided for in Article 11.3 of the Board Regulations.
- c) When they are seriously reprimanded by the Nomination and Remuneration Committee for having breached any of their obligations as directors.
- d) When their remaining on the Board may affect the good name or reputation of the Company in the market or put its interests at risk in any other way.

**C.1.17 Explain to what extent the annual evaluation of the Board has given rise to important changes in its internal organisation and in the procedures applicable to its activities:**

#### Description of amendments

In general, in the Board self-evaluation process, the topics assessed received a high score, with values up to 8 and 9 and none of the topics received a score under 7, without thereby the evaluation process during year 2023 has not given rise to changes in its internal organisation or in the procedures.

Describe the evaluation process and the areas evaluated by the Board of Directors, aided, where applicable, by an external consultant, in relation to the functioning and composition of the Board of Directors and its committees and any other area or matter that was subject to evaluation.

#### Description of the evaluation process and the areas evaluated

The Board of Directors, assisted by the Board Secretary, performed the internal evaluation that was carried out by the Board members themselves by completing individual questionnaires, giving scores of 1 to 10 (1 being very unsatisfactory and 10 very satisfactory) with respect to the following issues:

- Composition of the Board of Directors.
- Administration and management - operating principles and organisation.
- Procedure for calling and holding Board meetings.
- Right to information.
- Conflicts of interest.
- Board of Directors Committees.
- Board Chairperson and CEO.
- Secretary of the Board

The Board members' opinions shown in the questionnaires were tabulated and analysed by the Nomination and Remuneration Committee, together with the report on the activities of the Audit and Control Committee and of the Nomination and Remuneration Committee. The conclusions were escalated to the Board of Directors for their ratification and for the approval, as the case may be, of the corresponding Action Plan.

**C.1.18 Disclosure, in those years in which the evaluation has involved the assistance of an external consultant, of the business relationships that the consultant or any company in its group has with the company or any company belonging to its group.**

The Company was not assisted by an external consultant in the evaluation of the Board.

**C.1.19 Indicate the cases in which directors must resign.**

As noted above, Article 14 of the Board Regulations establishes that:

Directors must place their position at the disposal of the Board of Directors and tender their resignation in the following cases:

- a) When they cease to hold the executive positions with which their appointment as director was associated or when the reasons for which they were appointed no longer exist, it being understood that such circumstance applies to a proprietary director when the entity or business group they represent ceases to hold a significant ownership interest in the share capital of the Company or when, in the case of an independent director, they join the executive line of the Company or of any of its subsidiaries.
- b) If they find themselves subject to any of the situations of incompatibility or prohibition legally provided for in Article 11.3 of the Board Regulations.
- c) When they are seriously reprimanded by the Nomination and Remuneration Committee for having breached any of their obligations as directors.
- d) When their remaining on the Board may affect the good name or reputation of the Company in the market or put its interests at risk in any other way.

Article 11.3 of the Board Regulations establishes in this regard: "In any event, persons who are subject to any of the situations of incapacity, disqualification, prohibition or incompatibility established in current legislation may not be proposed for appointment as directors."

For these purposes, any person who directly or indirectly has an interest of any kind or has an employment, professional or commercial relationship, or a relationship of any other nature, with competing companies shall be deemed incompatible for the performance of the duties of a director, except when the Board agrees to their dispensation with the vote in favour of at least 70% of its members.

The Director Selection, Appointment and Removal Policy approved by the Board of Directors on 27 July 2021 establishes the following:

- (i) Directors shall vacate office once their period of tenure has expired or when the General Meeting so decides, in exercise of the powers vested in it by law.

The Board of Directors shall not propose the removal of any independent directors before expiry of the bylaw-stipulated period for which they were appointed, except where just cause is found to exist by the Board of Directors, following a proposal from the Nomination and Remuneration Committee. In particular, just cause shall be presumed to exist when directors are appointed to a new post or undertake new obligations that prevent them from devoting the necessary time to the duties required of a director, are in breach of the duties inherent to their position, or are in one of the circumstances which result in the loss of their status as an independent director, as established in the applicable legislation.

The removal of independent directors may also be proposed as a result of a takeover bid, merger or similar corporate transaction producing changes in the Company's capital structure, when such changes in the structure of the Board of Directors are made in order to meet the proportionality criterion.

- (ii) Directors must place their position at the disposal of the Board of Directors and, if the latter considers it appropriate, tender their resignation in the following cases:

- (a) When they cease to hold the executive positions with which their appointment as director was associated or when the reasons for which they were appointed no longer exist, it being understood that such circumstance applies to a proprietary director when the entity or business group they represent ceases to hold a significant ownership interest in the share capital of the Company or when, in the case of an independent director, they join the executive line of the Company or of any of its subsidiaries.
- (b) When they find themselves subject to any of the situations of incapacity, disqualification, prohibition or incompatibility established in the legal provisions in force.
- (c) When they are seriously reprimanded by the Nomination and Remuneration Committee for having breached any of their obligations as directors.
- (d) When their remaining on the Board may affect the good name or reputation of the Company in the market or put its interests at risk in any other way.

C.1.20 Are qualified majorities, other than statutory majorities, required for any type of decision?

Yes  No

If so, describe the differences.

Description of the differences
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1. Article 30 of the bylaws establishes that for the adoption of the following resolutions, which are reserved for the Board of Directors, the vote in favour of at least 60% of the members of the Board of Directors will be required:

- The transfer of operating assets of the Company or its subsidiaries for an amount exceeding EUR 250 million.
- The subscription of additional debt of the Company or its subsidiaries as a result of which the total financial debt of the group of which the Company is the parent exceeds the ratio of 5.5 times the Company's consolidated EBITDA (considering the effect of possible acquisitions).
- The issuance of Company shares and of securities convertible into Company shares, with disapplication of pre-emption rights, in exercise of the powers delegated by the General Meeting.
- The petition for voluntary insolvency of the Company.
- The proposal to the General Meeting of resolutions that require a majority of 60% of the share capital in attendance or represented by proxy for their valid approval.

2. Article 11.3 of the Board of Directors Regulations establishes that "any person who directly or indirectly has an interest of any kind or has an employment, professional or commercial relationship, or a relationship of any other nature, with competing companies shall be deemed incompatible for the performance of the duties of a director, except when the Board agrees to their dispensation with the vote in favour of, at least, 70% of its members".

In addition, in 2020, for the purposes of the refinancing process performed at the Deoleo Group, a Shareholders Agreement was entered into between subsidiaries of Deoleo, S.A. to regulate the relationships between the shareholders of the subsidiaries, and to establish the governance, management and operation system of those companies.

The Shareholders Agreement establishes a qualified majority of 75% of the share capital of Deoleo Holding, S.L. for the approval by the General Meeting of Deoleo Holding, S.L. of the following matters (the "Matters for which a Qualified Majority Is Required"):

- The exchange or repurchase of shares of Deoleo Holding, and the sale by the Deoleo Holding Subgroup of assets that represent more than 25% of the consolidated EBITDA of the Deoleo Group;
- The material modification of the nature of the Deoleo Group;
- The approval by any company in the Deoleo Holding Subgroup of a merger, business combination, spin-off, segregation, transfer en bloc of assets and liabilities or similar transactions, as well as any change in the share capital of those companies or the subscription of participating loans;
- The modification of any material intellectual or industrial property rights;
- The approval of the dissolution or liquidation of any company in the Deoleo Holding Subgroup or any similar transaction; amendments to the bylaws of the companies in the Deoleo Holding Subgroup other than: (a) those that are necessary to comply with the applicable legislation; (b) the change of registered office of those companies within the same province or locality; (c) the modification of the composition and operating rules of the management bodies of the companies in the Deoleo Holding Subgroup (except for Deoleo Holding, Deoleo UK and Deoleo Limited) and (d) those that the Board of Directors of Deoleo UK have considered to be immaterial;
- Any change to the senior executive incentive plan approved by Deoleo Holding that would entail an increase in the amount to be paid by Deoleo Holding
- Any change of the registered office or tax domicile or central offices of any company in the Deoleo Holding Subgroup to outside the jurisdiction in which it was incorporated; and
- The change of auditors at the companies in the Deoleo Holding Subgroup.

Also, the General Meeting of Deoleo Holding may resolve to delegate (temporarily or permanently) the approval of the Matters for which a Qualified Majority Is Required by a simple majority of Class B shares—with the exception of those matters related to the Potential Sale Process described in detail in the "Potential sale process of the Deoleo Group" subsection below—to the Board of Directors of Deoleo UK, which will be considered to be matters reserved for the Board of Directors of Deoleo UK, requiring for their approval, as a minimum, the vote in favour of two (2) directors proposed by the lenders of the Mandatorily Convertible Loan.

Also, under the Shareholders Agreement, the following matters shall be subject to approval by the Board of Directors of Deoleo UK Ltd, requiring the vote in favour of at least two (2) directors proposed by the lenders of the Mandatorily Convertible Loan:

- The appointment and dismissal of any employee of the companies in the Deoleo Holding Subgroup whose aggregate annual salary exceeds EUR 205,000 and, specifically, of any senior executive or general manager of the US, Spain, Italy and Northern Europe business divisions, as well as the appointment or removal of the Chief Executive Officer (CEO), Chief Financial Officer (CFO) or any senior executive (including the Marketing manager) or the Secretary of the Board of Directors of Deoleo UK Ltd;
- Any material decision by the companies in the Deoleo Holding Subgroup in relation to court proceedings that (a) individually amount to more than EUR 1 million or, in aggregate, total more than EUR 5 million in the same financial year or (b) could result in criminal liability;
- The authorisation for issue and approval of the (consolidated and separate) financial statements of Deoleo UK, and the approval of any material changes in the accounting principles, policies or practices used as the basis for the preparation of the separate financial statements of the companies in the Deoleo Holding Subgroup;
- The approval of any adjustment in the calculation of EBITDA that exceeds EUR 500,000 plus the amount (rounded off to thousands of euros) that results from interpolating the actual LTM EBITDA in a linear progression between:
  - (a) an amount equal to zero if the actual LTM EBITDA is equal to or less than EUR 18.4 million; and
  - (b) an amount equal to EUR 500,000 if the LTM EBITDA is equal to or greater than EUR 55.7 million, in aggregate in the same financial year at any of the Deoleo Holding Subgroup companies.
 For the purposes of this section, "LTM EBITDA" should be understood to be the EBITDA for the period of twelve (12) months prior to the date of the related calculation;
- The appointment of (a) an independent expert in relation to the Potential Sale Process described in detail in the "Potential sale process of the Deoleo Group" subsection below or (b) any external adviser to the Deoleo Holding Subgroup companies whose fees may exceed EUR 1 million in the same financial year, unless such fees are specifically approved in the annual budget;
- The approval of the incorporation of any new subsidiary within the Deoleo Group, except when the incorporation of that company is due to operating reasons or is the result of an intra-Group corporate restructuring;
- The approval of the constitution of any Board committee of the companies in the Deoleo Holding Subgroup (except for the Audit Committee and the Remuneration Committee), the establishment of the regulations thereof and the appointment of their members, subject in all cases to the regulations of each committee;
- The material modification of the long-term business strategy of the Deoleo Group or the commencement of a new line of business;
- The subscription of financial instruments by the companies in the Deoleo Holding Subgroup (or modification of the existing instruments) that give rise to a liability for the Deoleo Group of more than EUR 25 million, other than those relating to the refinancing of all of the Sustainable Debt, and the encumbrance of the shares or other equity instruments or the assets of any company in the Deoleo Holding Subgroup (other than those in relation to the Sustainable Debt);
- The acquisitions or disposals by any company in the Deoleo Holding Subgroup for an amount exceeding EUR 1 million;
- The approval of a distribution of dividends or any other distribution by any company in the Deoleo Holding Subgroup (in cash, shares or other equity instruments or in kind) or the reduction or any other change in the paid-in share capital, except when that dividend or distribution is approved or paid to a wholly-owned company of Deoleo UK;
- The signing by any company in the Deoleo Holding Subgroup of any cooperation agreements with third parties that represent 10% or more of the Deoleo Group's consolidated EBITDA at the date on which the agreement is entered into;
- The approval or establishment of any incentive, benefit plan, pension plan, or compensation for employees, or the modification of existing ones, at the companies in the Deoleo Holding Subgroup;
- The approval of:
  - (a) the annual budget;
  - (b) any modification of the annual budget that (x) individually entails an upward or downward modification of any item therein of 10% or (y) has an aggregate impact on annual EBITDA of +/- 10%;
  - (c) any decision that results in the aggregate amount invested in (x) advertising and marketing or (y) investments in capital goods exceeding, by 10% or more, the amount included in the annual budget for marketing or investments in capital goods, in the same financial year; and
  - (d) any decision that results in the aggregate amount invested in (x) advertising and marketing or (y) investments in capital goods falling, by 10% or more, with respect to the amount included in the annual budget for marketing or investments in capital goods, in the same financial year;
- The approval, ratification, termination or amendment of any agreements or contracts entered into between the companies in the Deoleo Holding Subgroup and the shareholders of Deoleo Holding or persons related to them, other than those that (a) are performed in the normal course of business, (b) are on an arm's length basis and (c) are consistent with previous practices, it being necessary, in this case, to report them to the Board of Directors of Deoleo UK;
- The amendments to the bylaws or to other constituent documents of the companies in the Deoleo Holding Subgroup unless they (a) are strictly necessary to comply with applicable legislation, (b) refer to a change of registered office within the same province or (c) refer to the composition of or operating rules of the governing bodies of the companies in the Deoleo Holding Subgroup other than Deoleo Holding, Deoleo UK and Deoleo Financial;



- The amendment of the terms and conditions of any licence relating to material intellectual or industrial property rights;
- The approval of any pension plan other than those that are mandatory pursuant to applicable legislation; and
- The approval of the delegation of the foregoing matters to any senior executive.

C.1.21 Explain whether there are any specific requirements, apart from those relating to directors, to be appointed chairperson of the Board of Directors.

Yes  No

C.1.22 Indicate whether the bylaws or the Board Regulations set any age limit for directors:

Yes  No

C.1.23 Indicate whether the bylaws or Board Regulations set a limited term of office, or other stricter requirements additional to those provided by law for independent directors, other than that established in the legislation:

Yes  No

C.1.24 Indicate whether the bylaws or the Board Regulations establish specific rules for granting proxies to other directors to vote at Board meetings, how they are granted and, in particular, the maximum number of proxies that a single director may hold, and whether any limit has been established in relation to the categories to which it is possible to grant proxies, beyond the limitations imposed by legislation. If so, provide a brief description of the rules.

Article 22.1 of the Board of Directors Regulations, regarding the conduct of meetings, provides that: "... The Directors must attend Board meetings in person and when, in exceptional circumstances, they are unable to do so, they shall endeavour to ensure that the other Board member they appoint as their proxy is also given the appropriate instructions, to the extent possible. Non-executive directors may only grant proxies to other non-executive directors. Such proxies may be granted by letter or by any other means that ensures the certainty and validity of the representation in the opinion of the Chairperson.

Also, the Board of Directors may authorise directors to attend meetings by telephone or using audiovisual means, provided that such means enable real-time interaction and communication between all those in attendance."

C.1.25 Indicate how many Board of Directors meetings were held during the year. Also indicate any occasions on which the Board held meetings at which the chairperson was not present. The calculation of attendance shall include proxies granted with specific instructions.

<b>Number of Board meetings</b>	7
<b>Number of Board meetings held in the absence of the chairperson</b>	0

Indicate the number of meetings held by the coordinating director and the other directors without the attendance or representation of any executive directors:

<b>Number of meetings</b>	0
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Indicate how many meetings of the various Board committees were held during the year:

<b>Number of meetings of the Audit Committee</b>	6
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<b>Number of meetings of the Nomination and Remuneration Committee</b>	6
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C.1.26 Indicate the number of Board meetings held during the year and provide information on Board member attendance:

<b>Number of meetings attended in person by at least 80% of the directors</b>	7
<b>Attendance in person as a % of the total votes during the year</b>	97.05
<b>Number of meetings attended in person, or by proxy with indication of specific instructions, by all the directors</b>	7
<b>No. of votes cast through attendance in person or by proxy with indication of specific instructions, as a % of the total votes during the year</b>	97.05

C.1.27 Indicate whether the separate and consolidated financial statements submitted to the Board for authorisation for issue have been certified beforehand:

Yes  No

Indicate, as appropriate, the person(s) who certified the company's separate and consolidated financial statements for authorisation for issue by the Board:

C.1.28 Explain any mechanisms established by the Board of Directors to ensure that the financial statements submitted by it at the General Meeting are prepared in accordance with accounting legislation.

Article 39.2 of the Board Regulations provides that the Board of Directors shall endeavour to prepare the definitive financial statements in such a way that they do not give rise to qualifications by the auditor. Nevertheless, if the Board considers that its judgement should be maintained, it will explain publicly the content and scope of the discrepancies.

In this connection, the Audit and Control Committee (Article 25.b) of the Board Regulations) is responsible for establishing the appropriate relations with the external auditor in order to receive information on any matter relating to the performance of the audit, as well as all other communications provided for in audit legislation and in auditing standards. It must also inform the General Meeting, through its Chairperson, of any questions raised by the shareholders about the outcome of the audit.

The Audit and Control Committee is informed directly by the auditors of the key matters and significant accounting and auditing issues, about the progress of the verification work, and about the potential modifications, if any, that need to be considered in the financial statements in order to avoid a qualified report.

In 2023 the Group's auditors attended four meetings of the Audit and Control Committee, and one meeting of the Board of Directors.

The Audit and Control Committee publishes annually an annual report of its actions corresponding to the activities performed by this body in relation to the annual year for its submission at the Ordinary General Meeting.

C.1.29 Is the Board secretary a director?

Yes  No

If the secretary is not a director, complete the following table:

Name or company name of secretary	Representative
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SERGIO GONZÁLEZ GALÁN	
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C.1.30 Indicate any specific mechanisms established by the company to safeguard the independence of the external auditors, as well as any mechanisms to safeguard the independence of the financial analysts, investment banks and rating agencies, including details on how the legal provisions have been implemented in practice.

Article 39 of the Board Regulations states that, through the Audit and Control Committee, a stable and professional relationship shall be established with the Company's auditor, strictly respecting its independence.

The Board Regulations (Art. 25 b) III.) state that the Audit and Control Committee has the following responsibilities in relation to the external auditor:

- To submit to the Board of Directors proposals for the selection, appointment, re-election and replacement of the auditor, taking responsibility for the selection process and the terms and conditions of the engagement, and to regularly obtain information from the auditor about the audit plan and the execution thereof, in addition to safeguarding the auditor's independence in the performance of its duties;
- To establish the appropriate relations with the external auditor in order to receive information on any matters that might jeopardise the auditor's independence, for examination thereof by the Committee, and any other matters related to the financial audit process and, where applicable, the authorisation of services other than prohibited services, as well as other communications provided for in audit legislation and auditing standards. In any event, each year the external auditors will be required to furnish a statement of their independence with respect to the entity or entities related directly or indirectly to it, as well as detailed information on each of the additional services of any kind rendered and the related fees received from these entities by the external auditor or by any persons or entities related thereto, as provided for in Spanish audit regulations.
- To issue each year, prior to the issuance of the auditor's report, a report expressing an opinion on the independence of the auditors. This report must contain, in any event, a reasoned evaluation of each and every one of the additional services referred to in the preceding point, considered both individually and as a whole, other than statutory audit services, in relation to the applicable independence regime or audit regulations.
- To investigate the circumstances giving rise to the resignation of the external auditor, in the event that this should occur.
- To ensure that the remuneration received by the external auditor for its work does not compromise the auditor's independence;
- To oversee that the Company reports any change of auditors through the CNMV, with an accompanying statement as to whether there had been any disagreements with the outgoing auditor and, if this were the case, an indication of the substance thereof.
- To ensure that the external auditor holds an annual meeting with the Board of Directors in plenary session to inform it of the work performed and the changes in the accounting situation and risks of the Company.
- To ensure that the Company and the external auditor adhere to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other rules regarding auditor independence.

The Board shall be informed of all the actions carried out by the Audit and Control Committee, at the earliest meeting of the Board, and, in any case, the related documentation shall be made available to it so that it becomes apprised of such actions for the purpose of exercising its powers.

At its meeting held in March 2023, the Audit and Control Committee received the external auditor's declaration of independence, together with the detailed information of non-audit services and the fees received in 2022, and issued the mandatory report on auditor independence for 2022.

In order to internally regulate the provision of services by the external auditor, and to set out the action guidelines to be followed prior to engaging the auditor's services or those of any of the firms in its network, on 26 July 2018 the Audit and Control Committee published an Approval Policy for services to be provided by the external auditor, which complements the external auditor's obligations in relation to reporting and confirming its independence to Deoleo, S.A.'s Audit and Control Committee in compliance with prevailing legislation.

The Board Regulations (Art. 38) regulate the Board's relationship with the markets in which the Company operates and states that the Board shall discharge, as envisaged in its Regulations, the following specific functions in relation to the securities market:

- a) Supervision of periodic public financial reporting.
- b) Performance of as many actions, and adoption of as many measures, as may be required to ensure the

Company's transparency vis-à-vis the financial markets and, specifically, reporting to those markets any events, decisions or circumstances that may be relevant to the market price of the shares.

c) Performance of as many actions, and adoption of as many measures, as may be required to encourage the correct price formation of the shares of the Company and, where applicable, of those of its subsidiaries, avoiding, in particular, any price manipulation or abuse of insider information.

During this year, Deoleo, S.A. engaged the agencies Standard & Poor's and Moody's to assess its corporate debt rating, applying the independence procedures implemented by both rating agencies.

**C.1.31** Indicate whether the company changed its external auditors during the year. If so, specify the outgoing and incoming auditors:

Yes                      No

Indicate whether there was any disagreement with the outgoing auditor and, if so, specify the substance thereof:

Yes                      No

**C.1.32** Indicate whether the audit firm performs other non-audit work for the company and/or its group, and if so, state the amount of fees received for such work and the percentage that this amount represents of the audit work fees billed to the company and/or its group:

Yes                       No

	Company	Group companies	Total
<b>Amount received for other non-audit work (thousands of euros)</b>	18	95	113
<b>Amount received for non-audit work/Amount received for audit work (as a %)</b>	10.00	25.00	20.00

**C.1.33** Indicate whether the auditor's report on the financial statements for the previous year was qualified. If so, specify the reasons given to the shareholders at the General Meeting by the chairperson of the audit committee to explain the content and scope of the qualifications.

Yes                       No

**C.1.34** Indicate the number of years that the current audit firm has been uninterruptedly auditing the separate and/or consolidated financial statements of the company. Also indicate the number of years audited by the current audit firm as a percentage of the total number of years for which the financial statements have been audited:

	Separate	Consolidated
<b>Number of uninterrupted years</b>	5	5

	Separate	Consolidated

Number of years audited by current audit firm / Number of years the company or its group has been audited (as a %)	15,15	15,15
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- C.1.35 Indicate whether there is a procedure for the directors to be able to receive the necessary information to prepare for meetings of the managing bodies sufficiently in advance, and if so, give details:

Yes  No

**Details of the procedure**

The Secretary of the Board has an activated IT tool with the appropriate privacy, security and confidentiality measures, which enables all the information required to prepare the meetings of the managing bodies to be managed in advance, and such information is available to all the directors online.

- C.1.36 Indicate whether the company has established rules obliging directors to report and, if applicable, resign, in situations affecting them—irrespective of whether or not they relate to their conduct at the company itself—which could harm the company's good name and reputation and, if so, give details:

Yes  No

**Explain the rules**

Article 14.2.d) of the Board Regulations expressly states that the directors are obliged to place their position at the disposal of the Board of Directors and to tender their resignation “when their remaining on the Board may affect the good name or reputation of the Company in the market or put its interests at risk in any other way”.

- C.1.37 Indicate, unless there have been special circumstances that have been recorded in the minutes, whether the Board has been informed or has otherwise become apprised of any situation affecting a director—irrespective of whether or not it relates to the director's conduct at the company itself—which could harm the company's good name and reputation:

Yes  No

- C.1.38 Give details of the significant agreements entered into by the company which take effect or are amended or terminated in the event of a change of control of the company following a takeover bid and the effects thereof.

The Senior Financing Agreement and the Junior Financing Agreement, both dated 24 June 2020, envisage the mandatory early repayment of the Sustainable Debt in the event of a change of control, which is understood to occur, among other situations, when the CVC Funds cease to hold and control at least 50% of the share capital or voting rights of Deoleo, S.A. (for reasons other than the “Exchange”); when another person (either individually or together with others) acquires 30% or more of the share capital or voting rights of Deoleo, S.A., and thereby exceeds the share capital owned by the CVC Funds; and in other scenarios explained in greater detail in the Registration Document approved and registered at the CNMV on 21 May 2020.

- C.1.39 Identify (individually in the case of directors and in aggregate terms in other cases) and indicate in detail the agreements between the company and its directors, executives or employees which provide for termination benefits, guarantee or golden parachute clauses upon resignation or dismissal without justification or upon termination of the employment relationship as a result of a takeover bid or other kinds of transactions.

<b>Number of beneficiaries</b>	5
<b>Type of beneficiary</b>	<b>Description of agreement</b>
CEO, executives and employees.	CEO (1): Predetermined number of days in proportion to gross fixed salary; maximum of 18 months' salary depending on the date on which the resignation or removal from office occurs. Executives (1): 6 months of fixed salary. Employees (2): 3 months of fixed salary. Employee (1): 18 months of fixed salary.

In those situations not provided for by law, indicate whether these agreements must be disclosed to and/or approved by the bodies of the company or of its group: If so, specify the procedures, the situations provided for and the nature of the bodies responsible for the approval or disclosure thereof:

	<b>Board of Directors</b>	<b>General Meeting</b>
<b>Body authorising the clauses</b>	X	

	<b>YES</b>	<b>NO</b>
<b>Is the General Meeting informed of the clauses?</b>		X

<b>Observations</b>
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The responsibilities assigned to the CEO by the Board Regulations (Art. 17) include the following: "Recommend and request the approval of the Nomination and Remuneration Committee of the Board of Directors for the senior executive remuneration and incentive programmes". For its part, the Nomination Committee (Art. 26) has the following responsibility: "Propose to the Board of Directors the remuneration policy for, and the basic conditions of the contracts of, the Company's senior executives".

Article 5 of the Board Regulations establishes that the Board of Directors shall directly exercise (without the possibility of delegating this power), at its own initiative or at the proposal of the corresponding internal body, the power to "Agree on the appointment and removal of the Company's senior executives, and set any potential compensation or indemnity payments in the event of their removal, as well as the basic conditions of their contracts".

## C.2 Committees of the Board of Directors

C.2.1 Give details of all the committees of the Board of Directors, their members and the proportion of executive, proprietary, independent and non-executive directors that form them:

### AUDIT AND CONTROL COMMITTEE

Name	Position	Category
ARÁNZAZU CORDERO HERNÁNDEZ	CHAIRPERSON	INDEPENDENT
GIANLUCA BOLLA	MEMBER	INDEPENDENT
JUAN ARBIDE ESTENSORO	MEMBER	PROPRIETARY

% of proprietary directors	33.33
% of independent directors	66.67
% of other non-executive directors	0.00

Explain the functions entrusted to this committee, including any functions additional to those provided for by law, and describe the procedures and rules governing the organisation and functioning thereof. For each of these functions, indicate the most significant actions taken in the year and how the committee has in practice discharged each of the functions attributed to it, whether by law or by virtue of company bylaws or other corporate resolutions.

## 1) FUNCTIONS

Article 25.b) of the Regulations of the Board of Directors of Deoleo, S.A.:

Without prejudice to any other mission that may be assigned to it by the Board of Directors, the essential function of the Audit and Control Committee shall be to support the Board of Directors in its supervisory functions and, specifically, it shall have at least the following responsibilities:

### I. General responsibilities

- 1) To report, through its chairperson, to the General Meeting on issues raised by the shareholders at the Meeting in relation to matters for which the Committee is responsible and, in particular, on the outcome of the audit, explaining how the audit has contributed to the completeness of the financial information, and the function performed by the Committee in that process;
- 2) To report on any related party transactions that must be approved by the General Meeting or the Board of Directors and to oversee the internal procedure established by the Company for those related party transactions approval of which has been delegated;
- 3) To report to the Board, prior to the adoption by it of the corresponding resolutions, on all matters provided for by law or in the bylaws and the Board Regulations, and in particular in relation to:
  - a. financial information and the directors' report, which shall include, where appropriate, the mandatory non-financial information that the Company is required to publish on a periodic basis; and
  - b. the creation or acquisition of ownership interests in special purpose entities or entities that are resident in countries or territories considered to be tax havens;
- 4) To inform the Board of the creation or acquisition of ownership interests in special purpose entities or entities that are resident in countries or territories considered to be tax havens, and any other transactions or operations of a comparable nature whose complexity might undermine the transparency of the Group;
- 5) To ensure that the financial statements to be presented by the Board of Directors at the Annual General Meeting are prepared in accordance with the applicable regulations. Where the auditor has qualified the auditor's report in any way, the chairperson of the Audit Committee shall clearly explain the Committee's opinion on the content and scope of such qualification at the Annual General Meeting, and a summary of that opinion, together with the other Board proposals and reports, shall be provided to the shareholders when the Annual General Meeting is called;
- 6) To be informed of the structural and corporate changes expected to be made by the Company, for the analysis thereof and the submission of the related report, prior to the Board of Directors meeting, on the economic conditions and accounting impact of those changes and, especially, where appropriate, on the proposed exchange ratio;
- 7) To exercise such other responsibilities assigned to this Committee in the Board Regulations or as might be assigned by the Board of Directors.

### II. Responsibilities regarding internal control and reporting systems

- 8) To supervise the effectiveness of the Company's internal control, internal audit and risk management systems, and to discuss with the auditor the significant weaknesses in the internal control system disclosed in the performance of the audit, all of which is to be done without breaching the auditor's independence. For these purposes, the Audit Committee may, where appropriate, submit recommendations or proposals to the managing body with the corresponding deadlines for the follow-up thereof;
- 9) To oversee the process involved in the preparation and presentation of the mandatory financial information, and to submit recommendations or proposals to the managing body aimed at safeguarding the completeness of such information;
- 10) To oversee and evaluate the preparation and completeness of the financial and non-financial information, as well as the systems for controlling and managing the financial and non-financial risks relating to the Company and, where appropriate, the Group—including operational, technological, legal, social, environmental, political and reputational

risks, or those related to corruption—, reviewing compliance with regulatory requirements, the appropriate definition of the scope of consolidation and correct application of the accounting policies;

11) To ensure the independence of the internal audit function; propose the selection, appointment and removal of the head of internal audit; propose the internal audit department's budget; approve the focus and annual work plan of the internal audit department, or propose the approval thereof to the Board, ensuring that the department's activity focuses primarily on significant risks (including reputational risks); receive periodic information on its activities; and check that senior management acts on the findings and recommendations of its reports;

12) To establish and oversee a mechanism whereby employees and other persons related to the Company, such as directors, shareholders, suppliers, contractors and subcontractors, can report any potentially significant irregularities detected by them within the Company or its group, including financial and accounting irregularities, or those of any other nature, related to the Company. This mechanism must guarantee confidentiality and, in any case, allow for anonymous reports to be made, while respecting the rights of both the whistle-blower and the person whose actions have been reported;

13) To ensure in general that the internal control policies and systems are applied effectively in practice;

14) To have an understanding of the financial reporting process and the internal control systems and, for these purposes, to identify the types and levels of risks, the measures to mitigate the impact of the identified risks and the risk control, reporting and management systems.

III. Responsibilities regarding the external auditor:

15) To submit to the Board of Directors proposals for the selection, appointment, re-election and replacement of the auditor—taking responsibility for the selection process—and the terms and conditions for the engagement of the auditor; and to regularly obtain information from the auditor on the audit plan and the execution thereof, in addition to safeguarding the auditor's independence in the performance of the auditor's duties;

16) To establish the appropriate relations with the external auditor in order to receive information on any matters that might jeopardise the auditor's independence—for the examination thereof by the Board—and any other matters related to the conduct of the financial audit and, where applicable, the authorisation of services other than prohibited services, as well as other communications as provided for in financial audit legislation and auditing standards. In any event, each year the external auditors will be required to furnish a statement of their independence with respect to the Company or entities related directly or indirectly to the Company, as well as detailed information on each of the additional services of any kind rendered and the related fees received from these entities by the external auditor or by any persons or entities related thereto, in accordance with Spanish audit legislation.

17) To issue annually, prior to the issuance of the auditor's report, a report expressing an opinion on the independence of the auditors. This report must contain, in any event, a reasoned evaluation of each and every one of the additional services referred to in the preceding point, considered both individually and as a whole, other than statutory audit services, in relation to the applicable independence regime or audit regulations;

18) To investigate the circumstances giving rise to the resignation of the external auditor, in the event that this should occur;

19) To ensure that the remuneration received by the external auditor for its work does not compromise the auditor's independence;

20) To oversee that the Company reports any change of auditors through the CNMV, with an accompanying statement as to whether there had been any disagreements with the outgoing auditor and, if this were the case, an indication of the substance thereof;

21) To ensure that the external auditor holds an annual meeting with the Board of Directors in plenary session to inform it of the work performed and the changes in the accounting situation and risks of the Company; and

22) To ensure that the Company and the external auditor adhere to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other rules regarding auditor independence.

The Board shall be informed of all the actions carried out by the Audit and Control Committee, at the earliest meeting of the Board, and, in any case, the related documentation shall be made available to it so that it becomes apprised of such actions for the purpose of exercising its powers.

Article 38.3 of the Regulations of the Board of Directors of Deoleo, S.A.: "The Board shall adopt the measures required to ensure that the half-yearly, quarterly or any other periodic financial information that it would be advisable to make available to the markets in accordance with the principle of prudence is prepared in accordance with the same principles, criteria and professional practices as those used to prepare the annual financial statements and that such information is equally reliable. For such purpose, the aforementioned information shall be reviewed by the Audit and Control Committee."

## 2) FUNCTIONING

The Audit and Control Committee shall meet at least quarterly and as many times as is appropriate, following a call by its chairperson, upon their own decision or in response to a request from two of its members or of the Board of Directors (Article 25.b) of the Board Regulations).



The Audit and Control Committee may require any Company employee or executive or the Company's auditor to attend its meetings and, in order to better discharge its functions, it may require the advisory services of external experts under the terms of Article 28 of the Board Regulations.

**3) MAIN LINES OF ACTION TAKEN IN THE YEAR**

- Report on the separate and consolidated financial statements and directors' reports for the year.
- Review of the half-yearly financial information for the year.
- Supervision of the system of internal control over financial reporting.
- Half-yearly reports on related party transactions.
- Auditor independence report.
- Audit and Control Committee annual performance report.
- Internal audit plan and approval of the Internal Audit Department's budget for the year.
- Actions of the Internal Audit Department.
- Risk and internal control-related actions.
- Supervision of the ethics channel.

Identify any directors who are members of the Audit Committee and were appointed taking into consideration their knowledge and experience in matters relating to accounting, audits or both, and provide information about the date on which the chairperson of this committee was appointed.

<b>Names of experienced directors</b>	JUAN ARBIDE ESTENSORO / ARÁNZAZU CORDERO HERNÁNDEZ / GIANLUCA BOLLA
<b>Date of appointment of chairperson</b>	21/02/2023

**NOMINATION AND REMUNERATION COMMITTEE**

<b>Name</b>	<b>Position</b>	<b>Category</b>
GIANLUCA BOLLA	CHAIRPERSON	INDEPENDENT
ARÁNZAZU CORDERO HERNÁNDEZ	MEMBER	INDEPENDENT
JUAN ARBIDE ESTENSORO	MEMBER	PROPRIETARY

<b>% of proprietary directors</b>	33.33
<b>% of independent directors</b>	66.67
<b>% of other non-executive directors</b>	0.00

Explain the functions entrusted to this committee, including any functions additional to those provided for by law, and describe the procedures and rules governing the organisation and functioning thereof. For each of these functions, indicate the most significant actions taken in the year and how the committee has in practice discharged each of the functions attributed to it, whether by law or by virtue of company bylaws or other corporate resolutions.

Without prejudice to any other mission that may be assigned to it by the Board of Directors, the Nomination and Remuneration Committee shall have the following responsibilities:

1. To draw up and review the criteria to be followed for the composition of the Board of Directors and the selection of candidates; report on the proposals for the appointment and removal of directors and senior executives of the Company and of its subsidiaries, submitting proposed appointments of directors to the Board, so that the latter may directly designate them (co-optation) or itself propose them to the General Meeting; and evaluate the skills, knowledge and experience required of the candidates for the vacant positions. For such purposes, any Board member may submit for the consideration of the Committee the presentation of potential candidates to cover the vacancies;



2. To establish a target level of representation of the gender with the lowest representation on the Board of Directors and issue guidelines on how to achieve that target;
3. To propose to the Board of Directors the remuneration policy for, and the basic conditions of the contracts of, the Company's senior executives;
4. To propose to the Board of Directors the individual remuneration and other contractual conditions of the executive directors;
5. To determine the remuneration regime of the Chairperson and, where appropriate, of the CEO;
6. To examine or organise, as the Committee deems fit, the succession of the Chairperson and the CEO and, if applicable, submit proposals to the Board in order to ensure an orderly and well-planned handover;
7. To propose to the Board of Directors the directors' remuneration regime and review it periodically to ensure that it is aligned with the tasks they perform, pursuant to Article 35 of these Regulations;
8. To report on the incentive plans;
9. To annually examine the remuneration policy for directors and senior executives;
10. To report on the proposed appointments of members of the Executive Committee and the other committees of the Board of Directors;
11. To prepare and keep a record of the situations of the Company's directors and senior executives; and
12. To exercise the other responsibilities assigned to the Committee in these Regulations.

The Board shall be informed of all the actions carried out by the Nomination and Remuneration Committee, at the earliest meeting of the Board, and, in any case, the related documentation shall be made available to it so that it becomes apprised of such actions for the purpose of exercising its powers.

The most noteworthy matters discussed at the six (6) meetings held in 2023 included the following:

- Report on variable settlement proposal for senior executives for the year closed.
- Report on proposed variable accrual criteria for senior executives in the year.
- Review of the remuneration of the members of the management committee (COMEX).
- Report on availability of non-executive directors.
- Formulation and approval of a report in relation to the Board of Directors itself and the performance of the President and CEO (for the purposes of the Board's self-evaluation).
- Formulation and favourable report on the Action Plan, to correct any deficiencies revealed during the Self-Evaluation process of the Board of Directors.
- Annual report on directors' remuneration.
- Annual Corporate Governance Report.
- Annual report on actions of the Nomination and Remuneration Committee.
- Sustainability report of Deoleo's Group.
- Objective of female representation.
- Monitoring of Deoleo's Group talent.
- Proposal for ratification and re-election of directors to the General Shareholders' Meeting.
- Report on the selection process of the General Manager for Finance.
- Review of Deoleo's People Mobility Programs.
- Presentation of the ESG report.

C.2.2 Complete the following table with the information relating to the number of female directors sitting on the Board of Directors' committees at the end of each of the last four years:

	Number of female directors							
	Year 2023		Year 2022		Year 2021		Year 2020	
	Number	%	Number	%	Number	%	Number	%
<b>Audit and Control Committee</b>	1	16.67	1	16.67	1	16.67	0	0.00
<b>Nomination and Remuneration Committee</b>	1	16.67	1	16.67	1	16.67	0	0.00

- C.2.3 Indicate, as appropriate, whether there are any regulations for the Board committees; if so, indicate where they can be consulted and whether any amendments have been made during the year. Also indicate whether any annual report on the activities of each committee has been prepared voluntarily.

The committees of the Board of Directors are governed by Articles 23 to 26 of the Regulations of the Board of Directors of Deoleo, S.A. These regulations are available on the Company's website ([www.deoleo.com / accionistas /gobierno corporativo/ reglamentos / reglamento del consejo de administración](http://www.deoleo.com/accionistas/gobierno_corporativo/reglamentos/reglamento_del_consejo_de_administracion)). There were no amendments in 2023. Both the Audit and Control Committee and the Nomination and Remuneration Committee have prepared their respective Activity Reports for 2023. These shall be made available to the shareholders at the Annual General Meeting.

#### **D. RELATED-PARTY AND INTRA-GROUP TRANSACTIONS**

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- D.1 Explain the procedure and competent bodies for approval of any related-party and intra-group transactions, indicating the entity's internal general criteria and rules governing the obligations of the affected directors or shareholders to abstain, and detailing the internal reporting and periodic control procedures established by the company with regard to related-party transactions approval of which has been delegated by the Board of Directors.

On 29 March 2022, the Board of Directors approved the latest updated version of the Policy on the Approval and Publication of Deoleo, S.A.'s related-party transactions.

The current main criteria for the approval of related-party transactions are as follows:

- a) The General Meeting shall be responsible for approving related-party transactions whose amount or value is equal to or exceeds 10% of the total asset items per the latest annual balance sheet approved by the Company. When the General Meeting is called to give an opinion on a related-party transaction, the affected shareholders shall not be able to exercise their voting rights, unless the resolution proposal has been approved by the Board of Directors without the majority of independent directors voting against it. However, when appropriate, the rule on shifting the burden of proof provided for in Article 190.3 of the Spanish Limited Liability Companies Law shall apply.
- b) The Board of Directors shall be responsible for approving the remaining related-party transactions and it may not delegate that responsibility (except as provided for in letter d of this section). The affected director or the director representing, or related to, the affected shareholder shall refrain from participating in the deliberations and the vote on the corresponding resolution in accordance with Article 228.c) of the Spanish Limited Liability Companies Law. However, directors related to the parent or representing it on the listed subsidiary's board of directors should not refrain from doing so, although in such cases, if their vote has been decisive for the adoption of the resolution, the rule on shifting the burden of proof shall apply in similar terms to those provided for in Article 190.3 of the Spanish Limited Liability Companies Law.
- c) Approval of a related-party transaction by the General Meeting or by the Board of Directors must be subject to a previous report by the Audit and Control Committee. In its report the Audit and Control Committee must assess whether the transaction is fair and reasonable from the point of view of the Company and, as the case may be, of the shareholders other than the related party, and report on the assumptions on which the assessment was based and the methods used. The affected directors may not participate in the preparation of the report.
- d) Notwithstanding the provisions of paragraphs b) and c) above, pursuant to this policy, the Board of Directors may delegate the approval of the following related-party transactions to the CEO:
  - (i) transactions between companies forming part of the group that are performed in the course of ordinary operations (which will include those resulting from the performance of a framework agreement) and on an arm's length basis.
  - (ii) transactions arranged as a result of agreements applied on an across-the-board basis to a large number of customers, that are performed at rates generally set by the party supplying the goods or services concerned, and the amount of which does not exceed 0.5% of the Company's revenue.

The approval of the related-party transactions referred to in this paragraph d) shall not require a prior report by the Audit and Control Committee.

Related-party transactions which, in accordance with the policy, do not require approval by the Board of Directors must be verified for correct application of this policy by the Internal Audit department.

In order to enable the Board of Directors and the Audit and Control Committee to duly control and supervise the related-party transactions which, in accordance with this policy, do not require authorisation by the Board of Directors, they must be reported to the Audit and Control Committee with such frequency as this committee may determine. Unless the Audit and Control Committee establishes a different frequency, the reports must be submitted on a half-yearly basis. The Audit and Control Committee shall verify the fairness and transparency of these transactions and, as applicable, compliance with the criteria applicable to the exceptions provided for in paragraph d) above. The Audit and Control Committee may be supported in this task by the Company's Internal Audit department.

In light of these reports, the Audit and Control Committee may request, at any time, that information be provided less frequently or that certain transactions be notified to the Board of Directors for approval before they are carried out.

In 2020, in addition to the refinancing performed by the Group that was completed on 24 June 2020, Deoleo, S.A. and the lending banks entered into a Shareholders Agreement, to which Deoleo Holding, S.L.U. and Deoleo UK, Ltd. are also party, that came into force on that same date.

The aim of the Shareholders Agreement is to govern the relations between the shareholders of Deoleo Holding, S.L.U. in their capacity as such and the relations of the shareholders of Deoleo Holding, S.L.U. with its subsidiaries, and to establish the system for the governance, management and operation of these companies, among other matters.

One of the points included in the Shareholders Agreement concerns the system for governing related-party transactions.

In this connection, the Shareholders Agreement establishes that the approval or ratification of the entry into, termination or amendment of any contract or agreement between any company in the Deoleo Holding subgroup and the shareholders of Deoleo Holding or parties related to them is a "Reserved Matter" for the Board of Directors of Deoleo UK, Ltd., provided that no part of this clause prevents any Group company from performing any transaction with a shareholder or a party related thereto which:

- (a) is performed in the ordinary course of business; (ii) is performed on an arm's length basis; and (iii) is consistent with previous practices; and
- (b) assuming that the Group company notifies the Board of Deoleo UK of such a transaction within the ten working days following the date on which it becomes aware that the transaction is with a shareholder or a party related to a shareholder, and the transaction is ratified at the next Board meeting of Deoleo UK as a "Reserved Matter" for the Board.

If entry into any transaction with a related party is not ratified by the Board of Deoleo UK, the corresponding Group company must, notwithstanding the terms and conditions of any legally binding agreement that prevents it from doing so, rescind the pertinent relationship and not renew or replace the agreement with said related party without the prior approval of the Board of Deoleo UK, Ltd.

In 2021 the Board of Deoleo UK approved setting EUR 150,000 as the threshold above which related-party transactions considered to be "Reserved Matters", as described above, would require its approval.

- D.2** Give a breakdown of significant transactions, due to their amount or the subject-matter involved, between the company or its subsidiaries and shareholders of the company holding 10% or more of the voting rights or represented on the company's board of directors, indicating the body responsible for their approval and if any affected shareholder or director had abstained. If the General Meeting was responsible, indicate whether the proposed resolution was approved by the board without the majority of the independent directors voting against it:

<b>Observations</b>
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The related-party transactions performed in prior years that continue to have an effect are duly included in the corresponding section of the financial statements.

- D.3** Give a breakdown of significant transactions, due to their amount or the subject-matter involved, between the company or its subsidiaries and the directors or executives of the company, including any transactions carried out with entities which the director or executive controls or controls jointly, and indicate the body responsible for their approval and if any affected shareholder or

director had abstained. If the General Meeting was responsible, indicate whether the proposed resolution was approved by the board without the majority of the independent directors voting against it:

Name or company name of the directors or executives or of their controlled or jointly controlled entities	Name or company name of the company or subsidiary	Relationship	Nature of the transaction and other information necessary for its evaluation	Amount (thousands of euros)	Body that approved it	Shareholder or director that had abstained	The proposal to the General Meeting, where applicable, was approved by the board without the majority of independent directors voting against it
No data							

- D.4** Give a breakdown of significant intragroup transactions, due to their amount or the subject-matter involved, between the company and its parent or other entities belonging to the parent's group, including the listed company's subsidiaries, unless no other related party of the listed company holds interests in those subsidiaries or they are subsidiaries that are wholly owned, either directly or indirectly, by the listed company.

In any event, provide details of any intragroup transactions performed with entities established in countries or territories considered to be tax havens:

Company name of group company	Brief description of the transaction and other information necessary for its evaluation	Amount (thousands of euros)
No data		

- D.5** Give a breakdown of significant transactions, due to their amount or the subject-matter involved, performed by the company or its subsidiaries with other related parties, as defined in the International Financial Reporting Standards as adopted by the European Union, that were not reported in the previous sections.

Name or company name of the related party	Brief description of the transaction and other information necessary for its evaluation	Amount (thousands of euros)
Lenders of the borrowings who are, in turn, shareholders of Deoleo Holding, S.L.	Interest accrued in the year	6.058

Observations

The shareholders of Deoleo Holding, S.L.U. which are, in turn, lenders of the Sustainable Debt at Deoleo Financial Ltd., funds controlled by Alchemy Special Opportunities (Guernsey) Limited, own 83.6% of that shares of Deoleo Holding, S.L.U. at 31 December 2022. The amount of the debt held with the said funds at 31 December 2023 totalled EUR 9.756 thousand and the amount of interest accrued in the year 2023 was EUR 4,899 thousand.

- D.6** Give details of the mechanisms in place for detecting, identifying and resolving any potential conflicts of interest between the company and/or its group and its directors, executives, significant

shareholders or other related parties.

Article 31.e) of the Board Regulations, on “Basic obligations arising from the duty of loyalty”, obliges the directors to “adopt the measures required to avoid situations in which their interests, either as independent professionals or as employees, may come into conflict with the interests of, and their duties to, the Company”.

Article 32 of the Regulations, regarding the “Duty to avoid conflicts of interest”, establishes that:

“1. The duty to avoid conflicts of interest referred to in point e) of the previous article obliges directors to refrain from:

- Performing transactions with the Company other than ordinary transactions performed under standard customer conditions and of scant significance, i.e. where the related information is not necessary to present fairly the equity, financial position and results of the Company.
- Using the Company name or their position as director to unduly influence the performance of personal transactions.
- Using Company assets, including the Company’s confidential information, for personal ends.
- Exploiting the Company’s business opportunities.
- Obtaining benefits or remuneration from third parties, other than the Company and its Group, associated with the performance of their duties as directors, except where mere courtesies are involved.
- Performing activities as independent professionals or as employees that involve effective competition, either current or potential, with the Company or that, in any other way, place them in a situation of ongoing conflict with the interests of the Company.

2. The aforementioned provisions shall also apply if the beneficiary of the acts or of the prohibited activities is a person related to the director. For the purposes of the provisions of the previous section, related persons are taken to be those persons defined as such in current legislation.

3. In any case, the directors must notify the Board of Directors of any direct or indirect conflict that they or persons related to them might have with the interests of the Company”.

The financial statements as at year-end include a section entitled “Information regarding situations of conflict of interest involving the directors”, in accordance with Article 229 of the Consolidated Spanish Limited Liability Companies Law, at 31 December 2022.

Article 33 of the Board Regulations on “Specific duties arising from listed company status” states that:

- The directors must inform the Company of any securities of the Company held by them, directly or indirectly, as established in the legislation governing the securities market and in the Internal Rules of Conduct (IRC).
- The directors may not perform, nor suggest that any other person perform, transactions involving securities of the Company or of Group companies, in relation to which, due to their position, they have insider information or confidential information that has not been made public.
- The directors may not use the Company’s non-public information for personal ends, unless the following conditions are met:
  - a) use of such information does not breach legislation governing the securities market;
  - b) use of the information does not damage the Company in any way; and
  - c) the Company does not have an exclusive right, or a similar legal position in this connection, over the information that is intended to be used, except where express authorisation has been granted by the Board.
- The directors must at all times respect the rules of conduct established in the legislation governing the securities market and, particularly, the rules contained in the Internal Rules of Conduct relating to matters concerning the securities market.

As established in Article 6 of the Internal Rules of Conduct of Deoleo, S.A. and its Group companies for the securities market (IRC), regarding conflicts of interest: “The Audit and Control Committee shall assess all matters relating to the rules to be observed in situations where the interests of the Company and of companies in its Group come into conflict with the personal interests of the directors and of other persons subject to this Code”.

According to Article 1.1 of the IRC, the persons subject to these rules are:

- a) Persons with management responsibilities at the Company or at the other Group companies.
- b) Persons closely related to the persons with management responsibilities.
- c) Persons with access to insider information.

According to Article 1.2 of the IRC, the persons with management responsibilities are:

- a) The members of the Company's Board of Directors and the natural persons who represent legal entities that are members of the Board, for as long as they continue to do so.
- b) The Company's senior executives, who are taken to be all executives who report directly to the Board of Directors or to the Chief Executive Officer of the Company.
- c) Any other executives of the Company that are classified by the legal department as persons with management responsibilities due to the fact that they have regular access to insider information relating directly or indirectly to the Company and have responsibility for adopting management decisions affecting the Company's future evolution and business prospects.
- d) The members of the administrative, managing or supervisory bodies of the other companies in the Company's Group and the executives of these companies, provided that such members or executives are classified by the legal department as persons with management responsibilities due to the fact that they have regular access to insider information relating directly or indirectly to the Company and have responsibility for adopting management decisions affecting the Company's future evolution and business prospects.

In relation to conflicts of interest, the Shareholders Agreement entered into between Deoleo, S.A. and the lending banks indicated in Section D.1 above establishes that, except as provided for in the bylaws of the relevant companies forming part of the Deoleo Holding Group, or where authorisation has subsequently been approved in accordance with the terms of the Shareholders Agreement or the applicable law, a director must abstain from voting on a resolution of the Board with respect to any proposed action, matter or agreement that might give rise to a conflict of interest on the part of that director.

The Shareholders Agreement also includes certain aspects relating to potential conflicts of interest of any shareholder in the event of a potential process to sell Deoleo Holding, S.L.U.

- D.7** Indicate whether the company is controlled by another entity within the meaning of Article 42 of the Spanish Commercial Code, irrespective of whether or not it is listed, and whether it has business relationships, either directly or through its subsidiaries, with that entity or any of its subsidiaries (other than those of the listed company), or performs activities that are related to the activities of any of them.

Yes  No

Indicate whether the respective business lines and any possible business relationships between, on the one hand, the listed company or its subsidiaries and, on the other, the parent or its subsidiaries, have been publicly reported in an accurate manner:

Yes  No

**Provide information on the respective business lines and any possible business relationships between, on the one hand, the listed company or its subsidiaries and, on the other, the parent or its subsidiaries, and identify where these matters have been publicly reported.**

The business relationships and transactions performed with parties related to the Group's shareholders are detailed in sections A.4 and D.2 above, and those performed with any of its subsidiaries are detailed in section D.5 of this Annual Corporate Governance Report and in the consolidated financial statements of Deoleo, S.A. and Subsidiaries for the year ended 31 December 2023.

These transactions are not material in the overall context of the Group's business.

Identify the mechanisms established to resolve any possible conflicts of interest between the parent of the listed company and the other companies in the group:

**Mechanisms to resolve any possible conflicts of interest**

## E. RISK CONTROL AND MANAGEMENT SYSTEMS

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### E.1 Explain the scope of the system in place at the company for the control and management of financial and non-financial risks, including tax risks.

The risk control and management model is based on an appropriate definition and allocation of functions and responsibilities at an operational level, and on certain procedures, methodologies, support tools and information systems. It includes all activities relating to the identification, measurement, control and management of the various risks that might affect the Deoleo Group, based on the following:

- a) Continuous identification of relevant risks and threats in terms of their potential impact on business objectives, financial statements, sustainability and business continuity.
- b) Analysis of these risks, taking into consideration the acceptable level of risk, in terms of their combined effect on the Deoleo Group as a whole.
- c) Evaluation of the impact, probability and related control activities, documented at a high level in a corporate risk map, which is reviewed on a regular basis.
- d) Decision-making with regard to risk management, in order to mitigate, transfer, share and/or avoid risks and thus foster the achievement of the Group's objectives.
- e) Establishment and implementation of a structure of policies, guidelines and limits.
- f) Measurement and control of risks using uniform procedures across the entire Group.
- g) Implementation of the appropriate measures to mitigate the impact of the identified risks.
- h) Adoption of reporting, monitoring and control processes to enable periodic and transparent evaluation and communication of the findings of the risk control and management monitoring process.
- i) Oversight of the effectiveness of the risk control and management systems.

### E.2 Identify the company's bodies that are responsible for preparing and executing the system for the control and management of financial and non-financial risks, including tax risks.

- The Board of Directors of Deoleo, S.A. has been assigned non-delegable responsibility for approving the risk supervision and management policy and for the regular monitoring of internal reporting and control systems.
- The Audit and Control Committee has been assigned the following responsibilities:
  - To be apprised of the financial reporting process and the internal control systems.
  - To identify the types and levels of risks, measures to mitigate the impact of the identified risks and the risk control, reporting and management systems.
  - To oversee the efficiency of the Company's internal control and the risk management systems.
- Within their respective areas of activity, the members of the Management Committee are responsible for ensuring that the risk management model is implemented and duly updated and, for that purpose, they:
  - Evaluate and analyse the Deoleo Group's key risks.
  - Consider the inclusion of new risks and/or the removal of certain existing risks, including contingent liabilities and off-balance-sheet risks.
  - Monitor the suitability of the existing control activities, in their respective areas, for maintaining risks at an acceptable tolerance level.
  - Recommend the implementation of specific action plans, monitor them and ensure continuity of existing plans.
  - Monitor the risks identified, especially the most critical risks or any risks that may have arisen, and report on their consequences and impact.



- The main responsibilities of the Business Units and the Service Units, which assume risks in the course of their ordinary activities, is to identify, report and manage the risks they face, and also implement the necessary mechanisms or controls to ensure that the impact is kept to a minimum within their area of activity. All the Deoleo Group's employees are required to comply with the action guidelines established in the Code of Conduct, with the terms of the Group's policies, manuals and procedures (available on the intranet) and with the measures implemented in the risk prevention and control systems and, as applicable, report through the ethics channel any activities, practices or conduct that they consider could imply a risk for the Group.
- The Internal Audit Department is responsible for:
  - Advising and supporting management with regard to the administration of the risk management and control model and providing a uniform overview of the Group's level of risk.
  - Coordinating the identification and assessment of risks through the preparation and update of the risk maps, taking into account the potential threat the risks pose to achievement of the Group's objectives.
  - Assessing the risk management processes, including the supervision of controls and procedures.
  - Providing assurance to the Audit and Control Committee with regard to the functioning and effectiveness of the risk management processes.

**E.3** Indicate the main financial and non-financial risks—including tax risks and, if significant, those arising from corruption (these being understood within the scope of Royal Decree Law 18/2017)—that may affect the attainment of the business objectives..

All the information relating to this section is included in Section 10 of the Group's consolidated directors' report for 2023.

**E.4** Identify whether the entity has risk tolerance levels, including the tax risk tolerance.

The Deoleo Group's risk management and control model is based on the premise that risk tolerance and appetite, together with the setting of objectives, are prerequisites for establishing an effective internal control system.

Risk appetite is defined as the desired level of risk that the Group is willing to accept in order to achieve its objectives.

Risk tolerance is defined as the acceptable level of change that the Group is willing to accept with regard to the achievement of its objectives. It is the specific maximum risk that Deoleo is prepared to assume and is defined by management.

The following are taken into account when determining the risk tolerance level:

1. Qualitative measures, which determine the specific risks that the Deoleo Group is prepared to accept based on the risks inherent to its activity and which are related to its mission, strategy and business plans.
2. Quantitative measures, which are used to describe the limits, thresholds or key indicators for risk, and which establish how risks and their benefits should be assessed and/or how to assess and monitor the aggregate impact of these risks, on the basis of the premise that not all risks can be measured.
3. The Deoleo Group's general risk profile is in line with a medium-low risk tolerance.

However, there are certain "zero" tolerance risks for which the response strategy is to ensure their "avoidance", meaning that the activity causing the risk is discontinued or the course of action is changed. The Deoleo Group includes in this risk category all the risks relating to legal, regulatory, criminal or tax-related non-compliance, risks relating to food safety, to compliance with the terms and conditions of the new financing agreements, risks relating to any type of fraud by the Group's executives, employees, customers or suppliers, as well as any risks relating to illegal or criminal activities, such as bribery, corruption or money laundering.

**E.5** Indicate the financial and non-financial risks, including any tax risks, that arose during the year.

All the information relating to this section is included in Section 10 of the Group's consolidated directors' report for 2023.

**E.6** Explain the response and monitoring plans for the entity's main risks, including tax risks, as well as the procedures followed by the entity to ensure that the Board of Directors responds to the new challenges it faces.

All the information relating to this section is included in Section 10 of the Group's consolidated directors' report for 2023.



## F. INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS RELATING TO FINANCIAL REPORTING (ICFR SYSTEM)

Describe the mechanisms composing the risk control and management systems relating to the entity's financial reporting process (ICFR system).

### F.1 The entity's control environment

Provide information, indicating salient features, on at least:

- F.1.1. The bodies and/or functions responsible for: (i) the existence and maintenance of a suitable, effective ICFR system; (ii) its implementation; and (iii) its oversight.

The Board of Directors shall discharge all the functions that are imposed on it due to the Company's nature as an issuer of listed securities and, in particular, the following specific functions in relation to the securities market in the manner provided for in the Board Regulations (Art. 38):

- Supervision of the periodic public financial information.
- Performance of as many actions, and adoption of as many measures, as may be required to ensure the Company's transparency vis-à-vis the financial markets and, specifically, reporting to those markets any events, decisions or circumstances that may be relevant to the market price of the shares.
- Performance of as many actions, and adoption of as many measures, as may be required to encourage the correct price formation of the shares of the Company and, where applicable, of those of its subsidiaries, avoiding, in particular, any price manipulation or abuse of insider information.

Therefore, the Board of Directors assumes ultimate responsibility for the existence, maintenance and supervision of an adequate and effective system of internal control over financial reporting.

The supervisory functions regarding the system of internal control over financial reporting (ICFR system) are delegated to the Audit and Control Committee, which has the following responsibilities:

- To oversee and evaluate the preparation and completeness of the financial and non-financial information, as well as the systems for controlling and managing the financial and non-financial risks relating to the Company and, where appropriate, the Group—including operational, technological, legal, social, environmental, political and reputational risks, or those related to corruption—, reviewing compliance with regulatory requirements, the appropriate definition of the scope of consolidation and correct application of the accounting policies.
- To have an understanding of the financial reporting process and the internal control systems and, for these purposes, to identify the types and levels of risks, the measures to mitigate the impact of the identified risks and the risk control, reporting and management systems.
- To discuss with the auditor the significant weaknesses in the internal control system disclosed in the performance of the audit, all of which should be done without breaching the auditor's independence. For these purposes, the Audit and Control Committee may, where appropriate, submit recommendations or proposals to the managing body with the corresponding deadlines for the follow-up thereof.
- To inform the Board, prior to the adoption by it of the corresponding resolutions, of any financial information that, due to its status as a listed company, the Company must make public on a regular basis.
- To inform the Board, prior to the adoption by it of the corresponding resolutions, of all matters provided for by law or in the bylaws and the Board Regulations, and in particular in relation to:
  - a) financial information and the directors' report, which shall include, where appropriate, the mandatory non-financial information that the Company is required to publish on a periodic basis; and
  - b) the creation or acquisition of ownership interests in special purpose entities or entities that are resident in countries or territories considered to be tax havens.
- To oversee compliance with the Company's internal codes of conduct and corporate governance rules, and

also to ensure that the corporate culture is in line with the Company's purpose and values.

- To establish and oversee a mechanism whereby employees can report, in a confidential manner, any potentially significant irregularities witnessed by them within the Company, particularly those of a financial and accounting nature.
- To establish and oversee a mechanism whereby employees and other persons related to the Company, such as directors, shareholders, suppliers, contractors and subcontractors, can report any potentially significant irregularities witnessed by them within the Company or its group, including financial and accounting irregularities, or those of any other nature, related to the Company.

In the discharge of its duties, the Audit Committee maintains fluid communication with Group management, in order to understand the decisions on the application of the most significant criteria; with Internal Audit, in order to be apprised of the results of the reviews conducted; and with the external auditors, in order to obtain their opinion on the financial information.

The Chief Executive Officer, in compliance with the responsibility of supervision and coordination of the business carried on by the Company, must:

- Report and assume responsibility to the Board of Directors for the administration and profitable operation of the Company, the preparation of business plans, budgets, financial information and the strategic plan.
- Lead the Company's management team, formulating, within the guidelines established by the Board of Directors, clear financial and business strategies and policies that promote growth, improve profitability and increase the value of the Company.
- Develop an effective management strategy and promote the existence of effective controls that ensure appropriate business and financial practices.

The Financial Department supervises the process of identifying and assessing the specific risks concerning financial reporting, both at the level of the consolidated financial statements and at the entity and business process level, which is carried out periodically by the various Group Departments.

The various Areas and Departments, in their respective areas of activity, execute processes and maintain operations in such a way as to ensure that the control activities are implemented and operational.

The Internal Audit Department provides support to the Audit Committee in the exercise of supervisory functions over financial reporting, checks that the system of internal control over financial reporting is up-to-date, performs the appropriate verification tasks on it, requests action plans to correct or mitigate the weaknesses detected and monitors the implementation of the proposed recommendations.

F.1.2. Indicate the following, if in place, particularly in connection with the financial reporting process:

- The departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) defining clear lines of responsibility and authority, with an appropriate distribution of tasks and functions; and (iii) ensuring procedures are in place to communicate this structure effectively throughout the entity.

The organisational structure of the Deoleo Group is proposed by the Chief Executive Officer in relation to matters that affect the management committee (COMEX) and the top echelon of management.

Senior management and those responsible for each business or service unit define the organisation of their respective areas, and define the lines of responsibility, tasks and functions of each position within their spheres of action. They also perform a review thereof when the circumstances so require.

The organisational structure and the relationships between each of the Departments are documented by the Human Resources Department in the Group's organisational charts, which make a distinction between global, regional or local roles.

The design of the organisational structure of the areas involved in the preparation of financial information is the result of the need to encompass the main functions of recognition, preparation, review, analysis, control and reporting of the transactions carried out, as well as the economic and financial position of each Group company.

The Financial Department is in charge of defining the lines of responsibility and the distribution of tasks and functions in relation to the process of preparing financial information. The Financial Department maintains an organisational structure both at corporate level and at local level at each of the Group's subsidiaries. With respect to the oversight of financial reporting, the financial managers of the subsidiaries and those responsible for management control have established reporting lines vis-à-vis the respective General Managers of the Business Units and with the Corporate Financial Department.

The Corporate Human Resources Department is responsible for updating the organisational charts—which are available to all employees—and for promptly publishing them on the Company's intranet.

- Code of conduct, approving body, degree of dissemination and instruction, principles and values covered (stating whether it makes specific reference to the recording of transactions and financial reporting), body in charge of investigating breaches and proposing corrective or disciplinary action.

The Deoleo Group has a Code of Conduct, approved by the Board of Directors in September 2020 and modified in May 2023, as well as the Internal Rules of Conduct of Deoleo, S.A. and its Group of Companies in matters relating to Securities Markets, approved by the Board of Directors in October 2016 and modified in July 2021.

The Deoleo Code of Conduct brings together the Group's corporate values (honesty and responsibility, enjoyment and passion, leadership and boldness, and adaptability and consistency) and the principles that must govern all the actions of the Group's employees (integrity, safety and well-being, and compliance with the law), establishes the requirement of ethical and impeccable behaviour, and develops the ethical principles and rules of action that are mandatory for all employees, executives and members of the Board of Directors of the Deoleo Group in relation to information management, the prevention of corruption, labour rights, the importance of quality, transparency in the market, fair competition, protection of the environment, and the communication of irregularities.

With respect to the conduct required in relation to the preparation of financial information and transparency in the markets, the Code of Conduct expressly includes the following aspects:

- Communications with shareholders, customers, suppliers, analysts, regulators, and other stakeholders must be transparent and honest, avoiding unlawful conduct or conduct that may be considered misleading or unethical.
- The Deoleo Group has the duty to prepare and publish accurate, complete and understandable economic and financial information, intended for its stakeholders and the market in general.
- It is essential that all the professionals who participate in the preparation of economic and financial information or in its publication, including the internal control area, perform their work in an impeccable fashion. For these purposes, no professional shall conceal, distort, or manipulate the information in the Group's accounting records and reports, which must be complete, accurate and truthful.
- The Deoleo Group is committed to transactional transparency in the securities markets. All professionals who have access to non-public information, or information of decisive importance to the purchase or sale of Deoleo, S.A. shares, shall refrain from using it and transmitting it to third parties, even within the Group itself.
- The Deoleo Group has a firm commitment to compliance with the rules and regulations applicable to its activity, and compliance therewith is essential.
- No professional of the Deoleo Group, regardless of their hierarchical level or position, may request another professional in the group to carry out an act that contravenes the provisions of the Code, internal regulations or current legislation.

The Code of Conduct is formally signed by the workers in all the Group companies, and the original of each acceptance is kept by the Human Resources Department. Additionally, it is published on the Group's intranet in Spanish, English and Italian, where any worker can access it for consultation.

Any doubts that may arise in the application or interpretation of the Code of Conduct are referred to the Body for the Supervision and Control of the Criminal Liability of Legal Entities for their timely resolution.

Failure to comply with the provisions established in the Code of Conduct, as indicated therein, could lead the Deoleo Group to take disciplinary measures against the person who infringes them.

Whenever the Code of Conduct is updated it is publicised internally to all the Group's employees so that they are aware of the modifications. Also, as part of the Crime Prevention Model, training courses are given on the Code of Conduct and the Ethics Channel.

- 'Whistle-blowing' channel, for reporting any irregularities of a financial or accounting nature, as well as possible breaches of the code of conduct and irregular activities within the

organisation to the Audit Committee, stating, as applicable, whether this channel is confidential and whether it allows anonymous communications to be made respecting the rights of the whistle-blower and of the person whose actions are being reported.

Article 25 of the Board Regulations, among the powers of the Audit and Control Committee, includes establishing and supervising a mechanism that allows employees and other people related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, communicate irregularities of potential significance, including financial and accounting ones, or of any other nature, related to the Company that they notice within the company or its group.

To this end, the Board of Directors of Deoleo, S.A. has implemented a complaints channel (The “Ethics Channel”). Through this means, potential irregularities must be communicated that indicate that they could constitute a contravention of current legal provisions, internal regulations and procedures, or that may reveal the commission of an administrative or criminal offense, which were detected in the work or professional context, expressly including those that could affect financial and accounting information, fraud, corruption, harassment, as well as irregularities in the quality of the Deoleo Group’s products, regardless of the phase of the process in which they are found.

The “Ethics Channel” is directly accessible on the corporate intranet and on the corporate website [www.deoleo.com](http://www.deoleo.com). The use of the channel allows anonymous complaints to be made.

The management process of communications and complaints received through the Ethics Channel is documented in the Ethics Channel Procedure, the last update of which was carried out in the year 2023.

The recipient of communications and complaints is the “System Responsible”. The Directors of Internal Audit, Legal and Human Resources of the Group will be considered as the “System Manager”, delegating to the former (the “Manager”) the powers to manage the system and process investigation files. All investigations must be carried out confidentially.

Deoleo guarantees that in no case will there be retaliation against whistle-blowers who have acted in good faith, and the Ethics Channel Procedure includes a Policy of no retaliation against whistle-blowers who act in good faith.

Following Recommendation 47 established in Technical Guide 3/2017, on Audit Committees, the Audit Committee receives from the Internal Audit Department, at least annually, information on the operation of the channel, with the number of complaints received, their origin, type, the outcome of the investigations and the proposals for action. The Audit Committee, if it deems it necessary, proposes the appropriate actions to improve the operation of the channel and reduce the risk of irregularities in the future.

- Training and periodic refresher courses for personnel involved in preparing and reviewing financial information or evaluating the ICFR system, which address, at least, accounting rules, auditing, internal control and risk management.

The Deoleo Group is made up of personnel with sufficient training and experience to carry out the functions and responsibilities entrusted to them.

The preparation and review of financial information, as well as the evaluation of the ICFR system, require specific knowledge of accounting and consolidation matters, processes, risks and internal control. Keeping this knowledge up to date is promoted through: the attendance of seminars, training actions, refresher bulletins, publications, information from industry associations and on-line alerts and other means, as well as by regular meetings with the external auditor in order to become apprised of changes in the regulations in force and to pre-empt those with a potential impact on the Group.

## **F.2 Assessment of financial reporting risks**

Provide information on, at least:

- F.1.3. The main features of the risk identification process, including risks of error or fraud, as regards:
  - Whether the process exists and is documented.

The Group's Risk Control and Management Policy establishes the principles and guidelines that form the basis of the risk identification system, and it specifically incorporates financial risks, which include all the risks that affect the completeness, reliability and quality of the financial information that is issued to the markets, as well as the management information that is used internally in the Deoleo Group for decision-making.

The process for identifying financial reporting risks, which is documented, consists of the following phases:

- The compilation of financial information.
- The identification of the operating cycles and activities with an impact on financial information.
- The prioritisation of potential risks based on a mix of criteria:
  - a) Quantitative: materiality.
  - b) Qualitative: volume of atypical transactions, valuation component, estimates and judgements, degree of exposure to errors and/or fraud, level of process automation, segregation of functions, and degree of dependence on outsourced processes.

Risks are assessed on an ongoing basis in accordance with the evolution of the business and the activities composing it. Also, existing controls are documented and the potential need to implement additional controls is evaluated.

- Whether the process covers all financial reporting objectives (existence and occurrence; completeness; valuation; presentation, disclosure and comparability; and rights and obligations), whether it is updated and how frequently.

The Group's risk identification process takes into account the following financial reporting objectives:

- Existence and occurrence: assets and liabilities exist at a given date; the transactions recognised occurred during the period.
- Completeness: there are no significant unrecognised assets, liabilities or transactions.
  - Valuation and measurement: balances and transactions have been recognised for the appropriate amount; they are valued at the appropriate amount in accordance with accounting regulations and using an appropriate methodology.
- Presentation, disclosure and comparability: assets, liabilities and transactions are correctly disclosed, classified and described.
- Rights and obligations: assets represent rights and liabilities represent legitimate obligations.

The process covers accounts of a significant or complex nature, as well as those risks that, although they do not affect significant accounts, may have a potential impact on the financial statements and the reliability of the financial information.

These objectives are updated when there is a change in the activities that affect the key financial reporting processes, or when there is a change in the Group's corporate structure that has implications for the ICFR system.

- Whether a specific process is in place to define the scope of consolidation, taking into account, inter alia, the possible existence of complex corporate structures, holding companies and special purpose entities.

The Legal Department keeps a documented and updated corporate register that includes all the Deoleo Group's ownership interests, as well as any entity, regardless of its legal form, over which the Group has the power to exercise control.

Any changes in the scope of consolidation, as well as the processes of incorporation, dissolution and merger of companies, are promptly communicated to the Corporate Financial Department.

The process of identifying the scope of consolidation is carried out by the Administration and Consolidation Department at each monthly closing.

There are no complex corporate structures within the Group that could result in transactions not being recognised in the financial statements that should be accounted for therein. If transactions arise that could be open to interpretation, to determine in advance how to treat them correctly and the financial impact they may have, the advice of experts and subsequent review by the external auditor could be obtained.

- Whether the process addresses other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) insofar as they may affect the financial statements.

The established process considers other categories of general risks that could affect the achievement of the Group's objectives (see section E), provided that they might have a component with a significant impact on the financial information.

- Indicate the entity's governing body that oversees the process.

In the risk management supervision process, the Audit and Control Committee has, among others, the following main responsibilities:

To have an understanding of the financial reporting process and the internal control systems and, for these purposes, to identify the types and levels of risks, the measures to mitigate the impact of the identified risks, and the risk control, reporting and management systems.

To oversee the preparation and completeness of the financial information relating to the Company and, where applicable, the Group, and to check compliance with regulatory requirements, the appropriate definition of the scope of consolidation and the correct application of accounting policies.

The Audit Committee has the support of the Internal Audit Department for the maintenance, updating and supervision of the system of internal control over financial reporting.

### **F.3 Control activities**

Provide information, indicating the salient features, if available, on at least:

- F.1.4. Procedures for reviewing and authorising financial information and the description of the ICFR system to be disclosed to the securities markets, indicating the corresponding lines of responsibility, as well as procedures for descriptive documentation of the activity and control flows (including those relating to the risk of fraud) for the various types of transactions that may materially affect the financial statements, including the procedures for the accounting close and for the specific review of significant judgements, estimates, valuations and projections.

The accounting close of the financial statements for each monthly, interim or complete period is prepared by the financial departments of the companies (parent and subsidiaries); they carry out an initial review of the figures for each line item, and prepare the necessary questions to ensure their accuracy and comparability. The individual accounting closes of each Group company are consolidated at corporate level and are reviewed monthly by the Administration and Consolidation Department.

The Corporate Management Control Department reviews the statement of profit or loss of each business unit at each monthly close.

Additionally, the following processes are in place for the review and validation of the financial information:

- Preparation of the monthly balanced scorecard which, including the balance sheet and the statement of profit or loss, also includes analysis of the changes in financial and accounting data, together with information on the performance of the business, and a comparison with the budget. When appropriate, additional explanations are obtained of any aspects that are of interest or differ from expectations.
- Receipt and periodic validation by the Financial Department of the breakdowns of the accounts that contain estimates or are subject to judgement.
- Periodic cash projections made and analysed by the Corporate Treasury Department.
- Review of the financial information that, due to its status as a listed entity, the Company must periodically make public prior to its issuance.
  - Review of the drafts of the financial statements that are issued to the public, conducted by various heads of different areas (Financial Department, Internal Audit Department, Capital Markets Department).
  - Provision of information by the Audit and Control Committee of Deoleo, S.A. to the Board of Directors on any issue or discussion that may have arisen in relation to the financial information, as well as the resolution thereof, including any significant accounting matters that may affect the Group.

- Presentation and review of the monthly accounting closes and the balanced scorecard by the Boards of Directors of Deoleo, S.A. and Deoleo UK Ltd.
- Monthly control of compliance with requirements associated with financing.
- Quarterly issuance of a certificate of compliance with covenants and other financing requirements, which accompanies the half-yearly financial statements.
- Review of the half-yearly and annual financial information by the external auditor.
- Assistance of an independent expert in the valuation of the cash-generating units for the performance of the impairment test at year-end.

The Audit and Control Committee monitors the most relevant or complex accounting matters that may affect the Group. The accounting for complex transactions or operations, as well as for other matters that may involve important estimates or value judgements, is subject to analysis by the external auditor prior to the recognition of the related amounts for accounting purposes, in order to pre-empt and ensure the appropriateness of the accounting treatment and the suitability of the valuation made by the Group.

In order to review the financial statements and the financial information that is published periodically, as well as to obtain clarifications on any other information that the Audit and Control Committee deems necessary in the exercise of the functions assigned to it, it may require the presence of senior management, the external auditor and any other external adviser that it deems appropriate.

In 2023 the Audit and Control Committee met on five occasions. Based on the matters within their spheres of responsibility, the Internal Audit manager, the General Economic and Financial manager and the Administration and Consolidation manager participated in these meetings.

The auditor (Ernst & Young, S.L.) attended four meetings of the Audit and Control Committee, and the representatives of PricewaterhouseCoopers Asesores de Negocios, S.L. attended one session of the Committee, as the independent expert engaged to assist with the impairment test on assets.

Regarding the publication of periodic public information, the Capital Markets Department, through the legally established mechanisms (CIFRADO/CNMV), sends the public information approved by the Board of Directors by means of a Relevant Event communication to the CNMV and it is published simultaneously on the corporate website.

The description of the ICFR system published in this report is prepared and updated by the Internal Audit Department.

The activity flows in which the transactions with an impact on the financial statements and the existing controls are located are documented in flowcharts, narratives and walkthroughs. In all applicable cycles, the specific review of relevant judgements, estimates, valuations and projections is included.

The cycles that make up the activity of the Deoleo Group, and which are documented in a risk and control matrix, are as follows:

- Closing of financial statements, consolidation and reporting.
- Purchases/Accounts payable Depending on the specific operations carried out by the entity in question, the applicable process would be that for purchasing raw oil, purchasing seeds, purchasing ancillary materials, contracting services and/or co-packers or outsourcing activities.
- Inventories/Production
- Taxes
- Property, plant and equipment, intangible assets and financial assets
- Human resources
- Cash
- Sales/Accounts receivable

F.1.5. Describe the policies and procedures for internal control over information systems (including access security, change control, system operation, operational continuity and segregation of duties) supporting the entity's key processes regarding the preparation and publication of financial information.

The Deoleo Group has various internal regulations and operating procedures drawn up by the Information Systems Department which set out the policies to be followed for the control and operation of computer systems, as well as systems related to the generation of financial information.

The SAP/HANA and BW system has been implemented for transaction accounting and recognition, and it is the ERP that contains all the Group's financial information.



**1) Access security and change control**

“Deoleo’s User Management Regulations” contain indications on organisation, security controls, and the criteria to be adopted by all Group companies in relation to users of information systems throughout their entire life cycle, including controls related primarily to:

- a) Human resources: security prior to, during and upon finalisation of employment.
- b) User identification and authentication: identity registration, use of user identifiers, inactive identifiers, blocking and deactivation of identifiers and password management.
- c) Access to information systems: access control policy, user access management, user manager, access profiles and limitations, and review of access rights.

The "Regulations for the Correct Use of Information and Communication Technologies (ICT)", a document that complements the aforementioned "User Management Regulations", includes:

- a) Ownership of assets.
- b) Service request and responsibilities, establishing the information security flows and roles for employee access to the ICT services that Deoleo makes available to them for the performance of their work.
- c) Security regarding user IDs and passwords, and clean desk and clear screen policies.
- d) Rights and obligations, and unacceptable use and prohibitions of the most common ICT services.

**2) Systems operation and operational continuity**

In addition to the activities performed by the Information Technology Department for the operation of the systems, there are various procedures in place at the Group regarding operational continuity, which include:

- Systems and Infrastructure Continuity Plan, which determines the general scope of procedures based on the criticality of the business functions.
- Communications System Continuity and Recovery Plan, which details the procedures to recover the communications system quickly and effectively after an interruption.
- SAP System Continuity and Recovery Plan, which establishes the processes required for the recovery of this critical system with the following objectives: to maximise the effectiveness of continuity operations through a plan established in different phases, to assign responsibilities to Deoleo personnel, and to ensure coordination between internal and external personnel.

The Information Systems Department has defined the scope of SAP/HANA backups, automatically monitors the backup process and carries out periodic tests to verify that the operations and technologies that support operational continuity function and are suitably updated.

**3) Segregation of duties**

SAP transactions are initially classified according to whether they can be viewed or modified. Both types are grouped into specific roles, which contain the necessary groups of transactions according to the capacities to which a user must have access in the system depending on their position and the tasks assigned to them. Certain modification roles were identified as critical for the purpose of segregation of duties in SAP, and a preventive control was implemented for the assignment of those roles.

**F.1.6. Internal control policies and procedures for overseeing the management of activities outsourced to third parties, as well as any evaluation, calculation or valuation-related matters entrusted to independent experts, that may materially affect the financial statements.**

The activities which the Group outsourced to third parties or engaged independent experts to perform in 2023 that could materially affect the financial statements were: assistance in the valuation for the performance of the asset impairment test; the measurement of certain non-current assets; the validation of actuarial calculations on certain obligations to employees; the calculation of income tax, and the receipt of human-resources and local accounting-related services at various Group companies.

When an independent expert is entrusted with advising on any matter that could materially affect the financial statements, the conclusions reached are submitted to the Audit and Control Committee.

In the event that any of the work is carried out by the firm of the Group's financial auditor, an analysis is made of the compatibility, reasonableness and proportion of the related fees with respect to those incurred for the external audit;



confirmation is obtained from the auditor of the fact that this is a permitted service and of the auditor's independence; and the work is subject to the approval of the Audit and Control Committee.

As regards the reports issued by independent experts, the Group has personnel capable of validating the reasonableness of their conclusions. The results that affect accounting, tax or financial matters are analysed by the Financial Department, as well as by other departments if necessary, depending on the matter in question.

#### **F.4 Information and communication**

Provide information, indicating the salient features, if available, on at least:

- F.1.7. Whether there is a specific role in charge of defining accounting policies and keeping them up to date (accounting policy area or department) and resolving doubts or disputes over their interpretation, by communicating on a regular basis with those in charge of operations at the organisation; and whether there is an updated accounting policy manual that is disseminated to the Company's operating units.

The Corporate Administration and Consolidation Department, reporting to the Corporate Financial Department, is responsible for defining and maintaining the Group's accounting policies, as well as for resolving any issues that may arise in the application of those policies at any Deoleo Group company.

The Group has an Accounting Policy Manual published in Spanish and in English that is available on the corporate intranet for all employees to consult.

This Manual constitutes the general framework of accounting policies; however, additional communications are prepared for specific instructions, accounting regulation updates, or whenever necessary, and, depending on the scope of the matter, they are disseminated by email.

The functions of the Corporate Financial Department with respect to accounting policies, and particularly with regard to the application of International Financial Reporting Standards (IFRSs), are as follows:

- Analyse non-recurring operations and transactions performed or that will foreseeably be performed by the Group, in order to determine the accounting treatment thereof.
- Unify and standardise accounting policies, and control compliance with the Group's accounting policy.
- Promote and/or participate in the implementation of audit recommendations to improve controls associated with financial information.
- Resolve any queries that may be raised by any Group company regarding the application of accounting policies.
- Monitor new accounting standards to be approved or applied in the future, analyse possible impacts on the Group's consolidated financial statements and evaluate and implement the changes/adaptations to be made for compliance therewith in due time and form.
- Ensure that the persons responsible for preparing and supervising the financial statements at the various levels of the Group are kept informed, in order to furnish them with the information necessary to guarantee consistent application of the accounting policies.
- In accordance with International Standards on Auditing as adapted for Spain (NIA-ES), give the external auditor access to relevant information used in the preparation of the financial statements, provide any additional information that the auditor may request for the purposes of the audit, and grant unlimited access to the persons that the auditor considers necessary to consult in order to obtain audit evidence.

- F.1.8. Mechanisms for the capture and preparation of financial information in standard formats—applied and used by all units within the entity or group—to support the main financial statements and the notes thereto, as well as the information disclosed regarding the ICFR system.

The Deoleo Group has implemented an ERP (SAP/HANA) management system to account for and recognise transactions, and issue its local financial statements. It is managed centrally by the Corporate Financial Department, is based on a standard chart of accounts and is implemented at virtually all the Group companies.

The monthly accounting closes of the Group companies form the basis of the consolidation process, and they are sent by the subsidiaries in a reporting package designed and updated by the Corporate Financial Department. In this way, the financial information has a uniform and common chart of accounts format for all the Group companies, which also facilitates the comparability of the information, and the standardisation, analysis and subsequent validation thereof.

On a monthly basis the Corporate Administration and Consolidation Department establishes and communicates to the Group the reporting dates and the exchange rates to be used for translation purposes. Both this Department and the Corporate Management Control Department conduct certain analytical and comparative reviews on a monthly basis to ensure the uniformity and comparability of the financial information.

Uniform formats are used to aggregate the information corresponding to other disclosures in the consolidated financial statements, thereby guaranteeing the comparability and consistency of the information from one year to the next. The additional information for the preparation of the notes to the financial statements or the presentation of disclosures is also detailed in the reporting package, which includes templates for the information required by the Corporate Administration and Consolidation Department, completion of which is mandatory for the preparation of the half-yearly and annual financial statements.

## **F.5 Oversight of the operation of the system**

Provide information, indicating the salient features, on at least:

- F.1.9. ICFR system monitoring activities performed by the Audit Committee, including an indication of whether the entity has an internal audit department whose responsibilities include supporting the Audit Committee in its role of monitoring the internal control system, including the ICFR system. Also describe the scope of the ICFR system assessment conducted in the year and the procedure for the person in charge of the assessment to communicate the findings thereof; indicate also whether the entity has an action plan specifying possible corrective measures and whether the impact thereof on the financial information has been taken into consideration.

As indicated earlier, the Audit and Control Committee is assigned the responsibility of overseeing the preparation and completeness of the financial information relating to the Company and, where appropriate, the Group, and reviewing compliance with regulatory requirements, the appropriate definition of the scope of consolidation and correct application of the accounting policies. The Audit and Control Committee has the support of the Internal Audit Department for the maintenance, updating and supervision of the ICFR system.

The responsibilities and functions of the Internal Audit Department are formally included in the Regulations of the Internal Audit Department, which were approved by the Board of Directors. The objective of this Department, among others, is to ensure the reliability and completeness of the financial information, by reviewing the reliability, completeness and quality of the financial, operating and management information in general, and overseeing the existing internal controls designed to safeguard assets.

The Annual Plan governing the work of the Internal Audit Department approved by the Audit and Control Committee includes certain aspects that have an impact on the financial information. In 2023 the controls for certain key processes at the Group's three most important companies were verified.

These reviews included assessing the design of the controls and verifying their operation and sufficiency, and proposed improvements to reinforce the internal control system were communicated.

The Internal Audit Department informs senior management and the Audit and Control Committee of the significant internal control weaknesses identified in the work performed, the action plans agreed to mitigate or correct such weaknesses, and carries out regular monitoring of the degree of implementation of those actions.

- F.1.10. Indicate whether there is a discussion procedure in place whereby the financial auditor (as established in Technical Auditing Standards), the internal audit department and other experts can report to the entity's senior management and its audit committee or directors on any significant internal control weaknesses identified during their review

of the financial statements or any other reviews they have been engaged to perform. State also whether the entity has an action plan to correct or mitigate the weaknesses observed.

The internal control weaknesses identified by the Internal Audit Department in the performance of the tasks entrusted to it are reported to senior management so that the necessary action plans and the time limits for resolving the weaknesses can be agreed upon. Also, the most significant internal control weaknesses are reported to the Audit and Control Committee, together with the corresponding action plans.

The external auditor has direct access to the Group's senior management and the Audit and Control Committee. The external auditor, when auditing the financial statements, informs the Audit and Control Committee of the internal control weaknesses detected in the performance of its audit procedures with the scope deemed appropriate.

## F.6 Other relevant information

## F.7 External auditor's report

Indicate:

- F.1.11. Whether the ICFR system information reported to the markets has been reviewed by the external auditor. If this is the case, the corresponding report should be included as an Appendix. If this is not the case, give reasons.

The Group's auditor, in the context of the audit of the financial statements, analyses and reviews the financial information and the existing controls at the Group in order to be able to issue its unmodified auditor's report. The supporting documentation for the information on the ICFR system was prepared for all the Group's most significant processes and is available at the Company. The Group's business focuses primarily on the production and marketing of oil, and it is not a very complex group. For all these reasons it was not considered necessary for a separate report to be issued other than the auditor's report.

## G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the company's degree of compliance with the recommendations of the Spanish Code of Good Governance for Listed Companies.

If a recommendation is not followed or only partially followed, a detailed explanation of the reasons should be provided so that the shareholders, investors and the market in general have sufficient information to evaluate the company's performance. Explanations of a general nature are not accepted.

1. **The bylaws of listed companies should not place an upper limit on the number of votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.**

Followed  Explain

2. **If the listed company is controlled, within the meaning of Article 42 of the Spanish Commercial Code, by another entity, listed or otherwise, and has, directly or through its subsidiaries, business relationships with that entity or any of its subsidiaries (other than those of the listed company) or carries on activities related to those of any of them, it should report publicly and accurately regarding:**

- a) **The respective business lines and any possible business relationships between, on the one hand, the listed company or its subsidiaries and, on the other, the parent or its subsidiaries.**

b) **The mechanisms in place to resolve any possible conflicts of interest.**

Followed  Partially followed  Explain  Not applicable

3. **At the Annual General Meeting, in addition to the communication in writing of the Annual Corporate Governance Report, the chairperson of the Board of Directors should orally inform the shareholders, in sufficient detail, of the most important matters in relation to the company's corporate governance and, in particular, of:**

a) **Changes since the previous Annual General Meeting.**

b) **The specific reasons why the company does not follow certain recommendations of the Corporate Governance Code and the alternative rules applied in this connection, should any exist.**

Followed  Partially followed  Explain

The Company considers that the majority of recommendations are fulfilled regarding corporate governance and in those, very few, that are partially fulfilled or that require of an explanation, the practices of the Company are very aligned with the recommendations, and then, it is not considered relevant to offer an explanation at the General Meetings.

4. **The company should define and promote a policy relating to communication and contact with shareholders and institutional investors in the context of their involvement in the company, and with voting advisers, that fully complies with regulations against market abuse and treats shareholders in the same position in a similar manner. The company should publish this policy on its website, including information on how it has been implemented and identifying the liaison personnel or staff in charge of implementing it.**

Notwithstanding the legal requirements regarding the dissemination of insider information and other kinds of regulated information, the company should also have a general policy relating to the reporting of economic and financial, non-financial and corporate information through the channels it considers appropriate (media, social networks or other channels), which contributes to optimising the dissemination and quality of the information available to the market, investors and other stakeholders.

Followed  Partially followed  Explain

5. **The Board of Directors should not put forward to the General Meeting a proposal to delegate powers in order to issue shares or convertible securities with disapplication of pre-emption rights for an amount exceeding 20% of share capital upon delegation.**

**When the Board of Directors approves any share or convertible security issue with disapplication of pre-emption rights, the company should immediately publish on its website the reports on such disapplication referred to in corporate legislation.**

Followed  Partially followed  Explain

The Annual General Meeting held on 3 June 2019 authorised the Board of Directors to resolve to increase the Company's share capital, over a period of five years, by up to a maximum nominal amount equal to half of the Company's share capital upon authorisation, enabling it to execute this power once or on several occasions. It also resolved to authorise the Board of Directors to disapply shareholders' pre-emption rights under the terms provided for in Article 506 of the Spanish Limited Liability Companies Law in relation to share issues performed under that law.

The decision to empower the Board to resolve to increase capital with disapplication of pre-emption rights by an amount exceeding 20% of share capital upon delegation was taken in view of the advisability of the Company's managing body being able to make use of the possibilities offered to it by the regulatory framework to provide swift and effective responses to needs that may arise in the economic environment in which major companies currently operate. These needs undoubtedly include providing the Company with new financial resources, which will frequently take the form of new capital contributions.

6. **The listed companies that prepare the reports indicated below, whether obligatorily or voluntarily, should publish them on their respective websites**

sufficiently in advance of the Annual General Meeting, whether or not they are required to disseminate them:

- a) Report on auditor independence.
- b) Reports on the functioning of the Audit Committee and the Nomination and Remuneration Committee.
- c) Audit Committee report on related party transactions.

Followed X Partially followed  Explain

7. The company should stream a live broadcast of the General Meetings on its website.

The company should have mechanisms that permit delegation of the power to vote and the ability to vote electronically, and even, in the case of large cap companies, where proportionate, attendance and active participation at the General Meeting.

Followed  Partially followed  Explain X

The Company provides electronic access, through its website, to the streaming of the General Meeting, only the registered shareholders have access to this streaming.

8. The Audit Committee should ensure that the financial statements that the Board of Directors presents to the shareholders at the Annual General Meeting are prepared in accordance with the applicable accounting legislation. Where the auditor has qualified the auditor's report for any matter, the chairperson of the Audit Committee should clearly explain the Audit Committee's opinion on the content and scope of that matter at the Annual General Meeting, and a summary of that opinion, together with the other Board proposals and reports, should be provided to the shareholders when the Annual General Meeting is called.

Followed X Partially followed  Explain

9. The company should have a permanent, public record on its website of the requirements and procedures that it will accept in order to evidence the ownership of shares, the right to attend the General Meeting and the exercise or delegation of the right to vote.

Such requirements and procedures should prioritise the attendance and the exercise of the rights of the shareholders and should be applied in a non-discriminatory manner.

Followed X Partially followed  Explain

10. When any legitimate shareholder has exercised, prior to the General Meeting, the right to complete the agenda or present new resolution proposals, the company should:

- a) Immediately make such supplementary points and new resolution proposals public;
- b) Make public the attendance card model or vote delegation/remote voting form with the necessary modifications so that the new points of the agenda and the alternative resolution proposals can be voted on under the same terms as those proposed by the Board of Directors;
- c) Submit all those points or alternative proposals to a vote and apply the same voting rules to them as are applied to the points and proposals prepared by the Board of Directors, including, specifically, the assumptions or deductions on which way to vote; and
- d) After the General Meeting, communicate the breakdown of the vote on those supplementary points or alternative proposals.

Followed X Partially followed  Explain  Not applicable

- 11.** If the company plans to pay bonuses for attendance at the Annual General Meeting, it should establish beforehand a general policy on such bonuses, and the policy should be stable.

Followed  Partially followed  Explain  Not applicable X

- 12.** The Board of Directors should perform its duties with unity of purpose and independence of judgement, according all shareholders in the same position the same treatment. It should be guided by the corporate interest, understood as securing long-term, profitable and sustainable business that fosters its own continuity and maximises the company's economic value.

In pursuit of the corporate interest, in addition to showing respect for laws and regulations and a behaviour based on good faith, ethics and respect for customs and generally accepted good practices, the company should attempt to reconcile its own corporate interest with, where applicable, the legitimate interests of its employees, suppliers and customers and those of the other stakeholders that may be affected, as well as with the impact of the company's activities on the community as a whole and on the environment.

Followed X Partially followed  Explain

- 13.** In the interests of maximum effectiveness and participation, the Board of Directors should ideally comprise between 5 and 15 members.

Followed X Explain

- 14.** The Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board of Directors that should:

- a) be specific and verifiable;
- b) ensure that appointment or re-election proposals are based on a preliminary analysis of the competencies required by the Board of Directors; and
- c) favour diversity of knowledge, experience, age and gender. For such purpose, measures deemed to favour gender diversity are those which encourage the company to have a significant number of female senior executives.

The findings of the preliminary analysis of competencies required by the Board of Directors should be included in the Nomination Committee's supporting report to be published when the General Meeting is called to which the ratification, appointment or re-election of each director will be submitted.

Each year the Nomination Committee shall verify compliance with this policy and this shall be reported on in the Annual Corporate Governance Report.

Followed X Partially followed  Explain

- 15.** Proprietary and independent directors should constitute an ample majority of Board members, while the number of executive directors should be the minimum number required, bearing in mind the complexity of the corporate group and the percentage of ownership held by the executive directors in the company's share capital.

The number of female directors should represent at least 40% of the members of the Board of Directors by the end of 2022 and thereafter, and prior to that date the proportion of female directors should not be lower than 30%.

Followed  Partially followed  Explain X

In 2023 female directors accounted for 33.33% of the Board members. For future appointments of directors, the Company will act in accordance with its diversity policy in this connection, and with Article 5.4 HH) of the Board of Directors Regulations, which establishes that the procedures for the selection of Board members should favour

diversity of gender, experience and knowledge and should not be affected by any implicit bias that might entail discrimination of any kind.

- 16. The proportion of proprietary directors as a percentage of the total non-executive directors should not exceed the proportion of the company's capital they represent.**

This criterion may be relaxed:

- a) At large cap companies where few equity stakes attain the legal threshold for significant shareholdings.
- b) At companies with multiple shareholders represented on the Board of Directors but not otherwise related.

Followed  Explain X

The proportion of proprietary directors exceeds the proportion of the company's capital they represent. The proportion of proprietary directors as a percentage of non-executive directors (60%) is only slightly greater than the percentage they represent (almost 57%), in line with the Recommendation, of the existing directors.

- 17. The number of independent directors should represent at least one half of all Board members.**

However, if the company is not a large cap company or, even if it is but has one shareholder or various shareholders acting collectively controlling more than 30% of the share capital, the number of independent directors should represent at least a third of the total number of directors.

Followed X Explain

- 18. Companies should post the following director particulars on their websites, and keep them permanently updated:**

- a) Professional experience and background.
- b) Directorships held in other companies, listed or otherwise, and other paid activities carried out by the director, regardless of their nature.
- c) An indication of the director's classification as executive, proprietary or independent; in the case of proprietary directors, stating the shareholder they represent or to whom they are related.
- d) The date of their first appointment as a company director, and subsequent re-elections.
- e) Shares held in the company and any options thereon.

Followed X Partially followed  Explain

- 19. After verification by the Nomination Committee, the Annual Corporate Governance Report should also disclose the reasons for the appointment of proprietary directors at the request of shareholders controlling less than 3% of capital, and explain the reasons for any rejection of a formal request for representation on the Board from shareholders whose ownership interest is equal to or greater than that of others who had applied successfully for a proprietary directorship.**

Followed  Partially followed  Explain  Not applicable X

- 20. Proprietary directors should resign when the shareholders they represent transfer their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the number of proprietary directors should be reduced accordingly.**

Followed X Partially followed  Explain  Not applicable



- 21.** The Board of Directors should not propose the removal of any independent directors before expiry of the bylaw-stipulated period for which they were appointed, except where just cause is found to exist by the Board of Directors, following a proposal from the Nomination Committee. In particular, just cause shall be presumed to exist when directors are appointed to a new post or undertake new obligations that prevent them from devoting the necessary time to the duties required of a director, are in breach of the duties inherent to their position, or are in one of the circumstances which result in the loss of their status as an independent director, as established in the applicable legislation.

The removal of independent directors may also be proposed as a result of a takeover bid, merger or similar corporate transaction producing changes in the company's capital structure, when such changes in the structure of the Board of Directors are made in order to meet the proportionality criterion set out in Recommendation 16.

Followed X Explain

- 22.** Companies should establish rules obliging directors to report and, where appropriate, to resign, when situations affecting them arise—that may or may not be related to the duties they discharge within the company—which might impair the company's good name or reputation and, particularly, to report to the Board of Directors any criminal case in which they appear as the investigated party and the progress of any trial.

Having been informed or having otherwise become apprised of any of the situations mentioned in the previous paragraph, the Board should examine the situation as soon as possible and, taking into account the specific circumstances, decide, following a report from the Nomination and Remuneration Committee, whether it should adopt any measures, such as opening an internal investigation, requesting that a director resign or proposing a director's removal. This should be disclosed in the Annual Corporate Governance Report, unless there are special justifying circumstances, which must be recorded in the minutes. The foregoing is without prejudice to any information to be disseminated by the company, where considered appropriate, at the time when the pertinent measures are adopted.

Followed X Partially followed  Explain

- 23.** All directors should express clear opposition when they feel a proposal submitted for the Board's approval might be contrary to the corporate interest. In particular, independents and other directors unaffected by the potential conflict of interest should also challenge any decision that could be to the detriment of the interests of shareholders lacking Board representation.

When the Board of Directors adopts significant or reiterated decisions about which a director has expressed serious reservations, then the director must draw the pertinent conclusions. Directors resigning on such grounds should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the Secretary of the Board, whether they be a director or otherwise.

Followed X Partially followed  Explain  Not applicable

- 24.** Where a director vacates their office—either through resignation or further to a resolution of the general meeting—before their tenure expires, they should sufficiently explain their reasons or, in the case of non-executive directors, their opinion on the reasons for removal by the general meeting, in a letter to be sent to all members of the Board of Directors.

Irrespective of whether all such information is disclosed in the Annual Corporate Governance Report, to the extent that it is relevant for investors, the company should publish the resignation or removal as soon as possible, including a sufficient reference to the reasons or circumstances furnished by the director.

Followed X Partially followed  Explain  Not applicable



- 25. The Nomination Committee should ensure that the non-executive directors have enough time available to properly discharge their functions.**

**The Board Regulations should establish the maximum number of company directorships the Board members can hold.**

Followed  Partially followed X Explain

The Company has not established any rule regarding the number of company directorships the Board members can hold, although on an annual basis the directors do report on whether they form part of other boards of directors. Also, the Board of Directors assesses the non-executive directors' availability to properly discharge their functions.

- 26. The Board of Directors should meet with the necessary frequency to properly perform its functions (at least eight times a year), in accordance with a calendar and agenda set at the beginning of the year, to which each director may individually propose the addition of other items.**

Followed  Partially followed  Explain X

The Board of Directors considered that the 7 meetings that were held during year 2023 were sufficient for the governance of the Company. Notwithstanding the above, previously to the beginning of year 2023 and coinciding with the approval of the calendar of sessions for the same, the Board of Directors itself has reserved some additional dates for the case that, if considered necessary, to reunite as Board for the exercise of its functions.

- 27. Directors' absences should be kept to the bare minimum and quantified in the Annual Corporate Governance Report. When directors have no choice but to delegate their vote, they should do so with instructions.**

Followed X Partially followed  Explain

- 28. When directors or the secretary express concerns about a proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, the person expressing them can request that they be recorded in the minutes.**

Followed X Partially followed  Explain  Not applicable

- 29. The company should establish the appropriate channels in order for the directors to be able to obtain the advisory services required for the fulfilment of their functions, including, as the circumstances may require, external advisory services charged to the company.**

Followed X Partially followed  Explain

- 30. Companies should also offer the directors refresher programmes when the circumstances so advise, regardless of the knowledge required of the directors to discharge their functions.**

Followed  Explain X Not applicable

The Company does not have a refresher programme for its directors, as it considers that, in view of their competence, experience and merit which justified their respective appointments, such a programme is unnecessary. However, the Company would provide these refresher programmes to the directors if any of them so requested.

- 31. The agenda of the meetings should clearly indicate the items on which the Board of Directors must adopt a decision or resolution so that the directors, prior to the meeting, can study or find the information required to adopt them.**

**Exceptionally, in urgent cases when the chairperson wishes to submit decisions or resolutions that do not appear in the agenda for approval to the Board of Directors, the prior and express consent of the majority of the directors present shall be required, and this shall be duly recorded in the minutes.**

- Followed X    Partially followed     Explain
- 32.** The directors should be regularly informed of any changes in the shareholder structure and of the opinion of significant shareholders, investors and rating agencies regarding the company and its group.

Followed X    Partially followed     Explain

- 33.** In addition to performing their functions as stipulated in the law and the bylaws, the chairperson, as the person responsible for the proper functioning of the Board of Directors, should: prepare and submit to the Board of Directors a programme of dates and business to be transacted; organise and coordinate regular evaluations of the Board and, as appropriate, the evaluation of the chief executive of the company; be responsible for managing the Board and its effective operation; ensure sufficient time is devoted to discussing strategic matters; and agree on and review the refresher programmes for each director when the circumstances so advise.

Followed X    Partially followed     Explain

- 34.** Should there be a lead director, in addition to the powers legally attributed to them, the company bylaws or Board regulations should also confer the following powers on them: to chair meetings of the Board of Directors should the chairperson (and deputy chairperson, if there is one) not be available; express the concerns of non-executive directors; contact investors and shareholders to learn their views in order to be able to form an opinion on their concerns, in particular in relation to the corporate governance of the company; and coordinate the succession plan for the chairperson.

Followed X    Partially followed     Explain     Not applicable

- 35.** The Secretary of the Board of Directors should take special care to ensure the Board's actions and decisions take into account the good governance recommendations included in this Good Governance Code that might be applicable to the company.

Followed X    Explain

- 36.** The Board of Directors in plenary session should evaluate the following points on a yearly basis and, if appropriate, adopt an action plan to correct any deficiencies detected in relation thereto:

- a) The quality and efficiency of the Board's operation.
- b) The operation and composition of its committees.
- c) Diversity in the composition and competencies of the Board of Directors.
- d) The performance of the chairperson of the Board of Directors and the chief executive of the company.
- e) The performance and contribution of each director, placing particular emphasis on the persons responsible for the various committees of the Board.

The evaluation of the various committees shall be based on the reports they submit to the Board of Directors, and the evaluation of the Board shall be based on the report submitted to it by the Nomination Committee.

Every three years, the Board of Directors shall be assisted in the evaluation by an external consultant, the independence of which shall be verified by the Nomination Committee.

The business relationships of the consultant or any company in its group with the company or any company in its Group must be disclosed in the Annual Corporate Governance Report.

The process and the areas evaluated shall be disclosed in the Annual Corporate Governance Report.

Followed  Partially followed  Explain

The Company considers that the Board of Directors assessment process established in the Board of Directors Regulations is sufficient to ensure the quality and efficiency of its functioning, performance and composition, without it being necessary to commission a report from an external consultant.

- 37. When there is an executive committee, there should be at least two non-executive directors, one of whom should be independent, and its secretary should be the secretary of the Board of Directors.**

Followed  Partially followed  Explain  Not applicable

- 38. The Board of Directors should be kept fully informed of the business transacted and resolutions adopted by the Executive Committee. To this end, all Board members should receive a copy of the Committee's minutes.**

Followed  Partially followed  Explain  Not applicable

- 39. All members of the Audit Committee, particularly its chairperson, should be appointed with regard to their knowledge and background in accounting, auditing and financial and non-financial risk management matters.**

Followed  Partially followed  Explain

- 40. Under the oversight of the Audit Committee, there should be a unit responsible for the internal audit function which ensures that the internal control and financial reporting systems function correctly, and which reports to the non-executive chairperson of the Board or of the Audit Committee.**

Followed  Partially followed  Explain

- 41. The head of internal audit should present an annual work programme to the Audit Committee, for approval by the latter or by the Board; report to it directly on its execution, including any possible incidents and scope limitations arising during implementation; report on the outcome and follow-up of its recommendations; and submit to it an activities report at the end of each year.**

Followed  Partially followed  Explain  Not applicable

- 42. The Audit Committee should have the following tasks in addition to those provided for by law:**

**1. With respect to internal control and reporting systems:**

- a) To supervise and evaluate the preparation process and the completeness of the financial and non-financial information, as well as the financial and non-financial risk management and control systems related to the company and, where appropriate, the group -including operational, technological, legal, social, environmental, political and reputational risks or those related to corruption-, reviewing compliance with regulatory requirements, the adequate definition of the scope of consolidation and correct application of the accounting policies.
- b) To monitor the independence of the internal audit function; propose the selection, appointment and removal of the head of internal audit; propose the internal audit department's budget; approve the annual work plans and methods or propose them for approval by the Board, ensuring that its activity focuses primarily on the significant risks (including reputational risks); receive periodic information on its activities; and check that senior management acts on the findings and recommendations of its reports.
- c) To establish and supervise a mechanism that allows employees and other people related to the company, such as directors, shareholders, suppliers, contractors and subcontractors, to report possibly important irregularities, including financial or accounting irregularities, or those of any other type related to the company of which they become aware at any group company. This mechanism should ensure confidentiality and, in any case, allow for anonymous reports to be made, while respecting the rights of both the whistle-blower and person against whom the report is

made.

- d) To ensure that the internal control policies and systems are applied effectively in practice.

2. In relation to the external auditor:

- a) To investigate the circumstances giving rise to the resignation of the external auditor, in the event that this should occur.
- b) To ensure that the remuneration received by the external auditor for its work does not compromise the quality of the auditor's work or its independence.
- c) To oversee that the Company reports any change of auditors through the CNMV, with an accompanying statement as to whether there had been any disagreements with the outgoing auditor and, if this were the case, an indication of the substance thereof.
- d) To ensure that the external auditor holds an annual meeting with the Board of Directors in plenary session to inform it of the work performed and the changes in the accounting situation and risks of the company.
- e) To ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other rules regarding auditor independence.

Followed X Partially followed  Explain

43. The Audit Committee should be able to call on any company employee or executive to be present at its meeting, even ordering them to attend without any other executive being present.

Followed X Partially followed  Explain

44. The Audit Committee should be informed of the structural and corporate changes expected to be made by the company, for the analysis thereof and the submission of the related report, prior to the Board of Directors meeting, on the economic conditions and accounting impact of those changes and, especially, where appropriate, on the proposed exchange ratio.

Followed X Partially followed  Explain  Not applicable

45. The risk control and management policy should identify or determine at least:

- a) The different types of financial and non-financial risk (operational, technological, legal, social, environmental, political and reputational, including those related to corruption) to which the company is exposed, including, in the case of financial or economic risks, contingent liabilities and other off-balance-sheet risks.
- b) A risk control and management model based on different levels, which will include a committee specialised in risks when industry standards so provide or the company deems this appropriate.
- c) The risk level the company sees as acceptable.
- d) The measures in place to mitigate the impact of identified risks, should they occur.
- e) The reporting and internal control systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks.

Followed X Partially followed  Explain

46. An internal risk control and management function should exist, under the direct supervision of the Audit Committee, or as appropriate, of a specialist committee of the Board of Directors, to be performed by a unit or internal department of the

company to which the following functions should be expressly allocated:

- a) To ensure the risk control and management systems function correctly and, in particular, all the major risks affecting the company are adequately identified, managed and quantified.
- b) To actively participate in preparing the risk strategy and in major decisions regarding risk management.
- c) To ensure the risk control and management systems adequately mitigate risks within the framework of the policy defined by the Board of Directors.

Followed X Partially followed  Explain

- 47.** The members of the Nomination and Remuneration Committee—or of the Nomination Committee and of the Remuneration Committee, if they are separate—should be appointed with regard to their having the knowledge, skills and experience appropriate to the functions they would have to perform, and the majority of the members should be independent directors.

Followed X Partially followed  Explain

- 48.** Large cap companies should have separate nomination and remuneration committees.

Followed  Explain  Not applicable X

- 49.** The Nomination Committee should consult with the chairperson of the Board of Directors and the chief executive of the company, especially on matters relating to executive directors.

Any board member may suggest directorship candidates to the Nomination Committee for its consideration.

Followed X Partially followed  Explain

- 50.** The Remuneration Committee should carry out its duties independently, and should have the following duties in addition to those attributed to it by law:

- a) To propose to the Board of Directors the basic conditions for senior executive employment contracts.
- b) To check compliance with the remuneration policy set by the company.
- c) To review the remuneration policy applied to directors and senior executives on a regular basis, including share-based remuneration systems and their application, and ensure that their individual remuneration is proportionate to what is paid to the other directors and senior executives of the company.
- d) To ensure that any possible conflicts of interest do not infringe upon the independence of the external advisory services provided to the committee.
- e) To verify the information on the remuneration of the directors and senior executives contained in the various corporate documents, including the annual report on directors' remuneration.

Followed X Partially followed  Explain

- 51.** The Remuneration Committee should consult with the company's chairperson and chief executive, especially on matters relating to executive directors and senior executives.

Followed X Partially followed  Explain

- 52.** The rules governing the composition and operation of the supervisory and control committees should be included in the Board of Directors Regulations and should be consistent with those applicable to statutory committees in accordance with the aforementioned recommendations, including the following:

- a) The committees should be composed exclusively of non-executive directors, with a majority of independent directors.
- b) The committees should be chaired by an independent director.
- c) The Board of Directors should appoint the members of such committees having regard to the knowledge, aptitudes and experience of the directors and the remit of each committee and should discuss their proposals and reports. At the first plenary session of the Board following each of their meetings, the committees should report on the business transacted by them and account for the work performed.
- d) Committees may engage external advisers, when they feel this is necessary for the discharge of their duties.
- e) Committee meetings should be recorded in minutes to be made available to all Board members.

Followed  Partially followed  Explain  Not Applicable X

- 53.** The oversight of fulfilment of the company's environmental, social and corporate governance policies and rules, and of the internal codes of conduct, should be entrusted to one, or shared between several, committees of the Board of Directors, which could include the Audit Committee, the Nomination Committee, a committee specialised in sustainability or corporate social responsibility or such other specialised committee that the Board of Directors, in exercising its self-organisation powers, might have decided to create. This committee should consist exclusively of non-executive directors, most of whom should be independent, and it should be specifically assigned the minimum functions indicated in the following recommendation.

Followed X Partially followed  Explain

- 54.** The minimum functions to which the previous recommendation refers are as follows:

- a) Supervision of compliance with the company's corporate governance rules and internal codes of conduct, also ensuring that the corporate culture is aligned with its purpose and values.
- b) Supervision of the application of the general policy relating to communication of economic and financial, non-financial and corporate information, and to communication with shareholders and investors, voting advisers and other stakeholders. The manner in which the entity communicates and interacts with small and medium-sized shareholders shall also be monitored.
- c) Regular evaluation and review of the company's corporate governance system and its environmental and social policy, in order to ensure that they fulfil their mission to promote the corporate interest, and that they take into account, as applicable, the legitimate interests of the other stakeholders.
- d) Supervision to ensure that the company's environmental and social practices are in line with the established strategy and policies.
- e) Supervision and evaluation of the processes in relation to the various stakeholders.

Followed X Partially followed  Explain

- 55.** Sustainability policies in environmental and social matters should identify and include at least:

- a) The principles, commitments, objectives and strategy in relation to shareholders, employees, customers, suppliers, social issues, the environment, diversity, fiscal responsibility, respect for human rights and

the prevention of corruption and other illegal conduct.

- b) The methods or systems for monitoring compliance with the policies, the related risks and the management thereof.
- c) The mechanisms for supervising non-financial risks, including risks relating to ethics and business conduct.
- d) The channels for communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that prevent the manipulation of information and protect integrity and reputations.

Followed  Partially followed  Explain

- 56.** The directors' remuneration should be sufficient to attract and retain directors with the desired profile and to compensate them for the dedication, abilities and responsibilities that the post entails, but should not be so high as to compromise the independent judgement of the non-executive directors.

Followed  Explain

- 57.** Variable remuneration linked to the company's and personal performance, and remuneration comprising the delivery of shares, share options or other share-based instruments and the long-term saving schemes such as pension plans, retirement systems or other employee welfare systems should be confined to executive directors.

The delivery of shares as remuneration for non-executive directors may be considered provided the directors retain them until the end of their tenure. The foregoing shall not apply to shares the directors need to dispose of, as the case may be, to satisfy the costs of their purchase.

Followed  Partially followed  Explain

The Company does not have the option to deliver shares as remuneration for directors.

- 58.** In the case of variable remuneration, remuneration policies should include technical limits and safeguards to ensure they reflect the professional performance of the recipients and not simply the general progress of the markets or the company's industry or other similar circumstances.

And, in particular, the variable components of remuneration:

- a) Should be linked to performance criteria that are predetermined and measurable, and these criteria should take into account the risk assumed to achieve a result.
- b) Should promote the sustainability of the company and include non-financial criteria that are suited to the creation of value in the long term, such as compliance with the internal rules and procedures of the company and with its risk control and management policies.
- c) Should be established on the basis of a balance between achievement of short-, medium- and long-term objectives, thus making it possible to remunerate continued performance over a period of time that is long enough to assess the directors' contribution to the sustainable creation of value, in such a way that the factors for measuring that performance are not limited to specific, occasional or extraordinary events.

Followed  Partially followed  Explain  Not applicable

The recommendation is followed in full for objectives to be achieved at short term.



- 59. The payment of variable remuneration components should be subject to adequate verification that the pre-established performance (or other) conditions have effectively been met. Entities shall include in the Annual Directors' Remuneration Report the criteria relating to the time and methods required for such verification, based on the nature and characteristics of each variable component.**

**In addition, entities should assess the suitability of establishing a reduction ("malus") clause based on the deferral, for a sufficient period, of payment of a portion of the variable components, which would result in the total or partial loss of such portion should an event rendering this advisable occur prior to the payment date.**

Followed  Partially followed  Explain X Not applicable

The implementation of this recommendation it is marked with an "Explain" since in the agreement that bounds the chief executive officer with the company is not stipulated a reduction ("malus") clause. This circumstance is due to the fact that the major part of the annual variable remuneration of the chief executive officer is linked to financial indicators (EBITDA figure and cash flow), that form part of the financial information of the second semester upon which, prior to the payment of the said remuneration, there have been performed all the necessary proceedings in relation to the proposal by the Board of Directors and its corresponding publication for its disposal to market. Moreover, in relation to the variable remuneration that depends on individuals goals of qualitative level, those are also reviewed by the Nomination and Remuneration Committee prior to the payment of the remuneration.

- 60. In the case of remuneration linked to company earnings, deductions should be computed for any qualifications stated in the external auditor's report entailing a decrease in such earnings.**

Followed  Partially followed  Explain X Not applicable

The Company's priority is to obtain an unmodified external auditor's report and, accordingly, this objective forms part of the minimum performance expected of all the Group's professionals.

In the hypothetical scenario of an exception arising in this connection, the Company would assess the impact that such qualifications could have on the variable remuneration of the directors and employees.

- 61. A significant portion of the variable remuneration of the executive directors should be linked to the delivery of shares or financial instruments referenced to their value.**

Followed  Partially followed  Explain  Not applicable X

- 62. Once the shares, share options or financial instruments relating to remuneration systems have been allocated, the executive directors should not be able to transfer their ownership or exercise the related options until a period of at least three years has elapsed.**

**An exception is when, at the time of the transfer or exercise, the director has a net economic exposure to changes in the share price, of a market value equal to at least twice their annual fixed remuneration, through ownership of shares, share options or other financial instruments.**

**The foregoing shall not apply to shares the directors need to dispose of to satisfy the costs of their purchase or, following prior approval by the Nomination and Remuneration Committee, to address any extraordinary situations that arise which may require such action.**

Followed  Partially followed  Explain  Not applicable X

- 63. The contractual agreements should include a clause to enable the company to claim repayment of the variable components of the remuneration when the payment was not in keeping with the performance conditions, or when the payment was made on the basis of data subsequently proven to be inaccurate.**

Followed  Partially followed  Explain  Not applicable X



- 64. Payments for contract termination or extinguishment should not exceed an amount equal to two years' total annual remuneration, and should not be paid until the company is able to check that the director has met the established criteria or conditions for receiving the payment.**

**For the purposes of this recommendation, payments for contract termination or extinguishment shall be considered to include any payments accruing or due as a result, or on the occasion, of the termination of the contractual relationship between the director and the company, including previously non-vested amounts relating to long-term saving schemes and amounts paid by virtue of post-contractual non-compete clauses.**

Followed X      Partially followed       Explain       Not applicable

#### **H. OTHER INFORMATION OF INTEREST**

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1. If there is any salient feature of corporate governance at the entity or the group entities that has not been dealt with in the other sections herein, and which it is necessary to include in order to provide the most complete and reasoned information on corporate governance structure and practices at the entity or its group, provide a brief description.
2. This section can include any other information, clarification or qualification relating to the previous sections of the report, provided that it is material and not repetitive.

In particular, indicate whether the company is subject to any legislation other than the Spanish legislation on corporate governance, and if so, include the information that it is required to provide, where such information differs from that required in this report.

3. The company may also indicate whether it has voluntarily adhered to any other codes of ethical principles or good practice of an international, industry-specific or other nature. If so, state the code in question and the date of adherence thereto. In particular, comment on whether the Spanish Code of Good Tax Practices of 20 July 2010 was adhered to.

**This Annual Corporate Governance Report was approved by the company's Board of Directors at its meeting held on 19 March 2024.**

**Indicate whether any directors voted against or abstained in relation to the approval of this Report.**

Yes       No