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**PROMOTORA DE INFORMACIONES, S.A.
(PRISA)**

APPOINTMENTS, COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE

**ANNUAL REPORT
2023**

Madrid, February 2024.

ANNUAL REPORT OF THE APPOINTMENTS, COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE

2023

I. INTRODUCTION

The Appointments, Compensation and Corporate Governance Committee (hereafter the “**Committee**” or the “**ARCGC**”) of PROMOTORA DE INFORMACIONES, S.A. (“**PRISA**” or the “**Company**”) is governed by article 529 quince of the Capital Companies Act (**LSC**), the company’s bylaws, and PRISA’s Board of Directors Regulation (**Board of Directors Regulation**).

The recommendations contained in the CNMV’s “Technical Guidelines 1/2019 on Appointments and Remuneration Committees (“**CNMV Technical Guidelines**”) were taken into account in the preparation of this report. Moreover, during the year the Committee followed the recommendations set forth in the CNMV’s Code of Good Governance for Listed Companies (“**CBG**”) concerning Appointments and Remuneration Committees.

In accordance to article 28 of the Board of Directors Regulation, the ARCGC hereby issues this report to enable the Board of Directors to inform shareholders about the Committee’s work and activities during 2023. This report will be made available to the Company’s shareholders on PRISA’s corporate webpage commencing on the date the Notice of Annual Shareholders Meeting is issued, in compliance with Recommendation 8 of the Code of Good Governance for Listed Companies.

II. COMPOSITION

During the 2023 financial year the changes that have taken place in the composition of the Commission have been the following:

i. In May 2023, the independent director Mr. Rosauro Varo resigned as a member of the Board of Directors and, consequently, as a member of the ARCGC.

ii. In June 2023, Mr. Fernando Carrillo was appointed independent director of the Company, joining this Committee to fill the vacancy of Mr. Varo.

Likewise, Mr. Carrillo was appointed Chairman of the Commission, replacing Ms. de Clermont-Tonnerre, who continued to serve on the Commission as a member.

iii. Also in June 2023, Ms. Isabel Sánchez García was appointed independent director of the Company, joining this Committee as a member.

iv. The number of members of this Commission was increased from 4 to 5.

Thus, the composition of the Commission as of December 31, 2023 and the date of issuance of this report is as follows:

Position	Director	Category	Date joining the Committee
Chairman	Mr Fernando	External Independent	27.06.2023

	Carrillo Flórez	Director	
Member	Ms Beatrice de Clermont-Tonnerre	External Independent Director	30.07.2019
Member	Ms Carmen Fernández de Alarcón Roca	External proprietary director	01.07.2021
Member	Mr Javier Santiso Guimaras	External Independent Director	22.12.2020
Member	Ms Isabel Sánchez García	External Independent Director	27.06.2023

The Committee's composition complies with the requirements of current legislation and the Company's Board of Directors Regulation, which states that the ARCGC shall consist of a minimum of three and a maximum of five non-executive directors, the majority of whom must be independent directors and with an independent director in the role of chairperson.

ARCGC members have knowledge, aptitudes and experience adequated for the duties they have to perform. It is particularly noteworthy that the Committee, as a whole, has knowledge and experience in the following areas identified in the Board Regulations and in CNMV Technical Guidelines: corporate governance issues, strategic analysis and evaluation of human resource, recruitment of directors and managers, performance of senior management functions and design of remuneration policies and plans for directors and senior managers.

In addition, and also in accordance with recommendations contained in the CNMV Technical Guidelines, the committee's composition is diverse in terms of geographical origin, international and sectoral professional experience, personal skills and abilities. In terms of gender diversity, it is noteworthy a majority presence of women in the Committee.

The profiles of committee members are available on the company's corporate webpage using the following link: <https://www.prisa.com/es/info/Board-de-administracion-y-comisiones-del-Board>.

The committee secretary Mr Pablo Jiménez de Parga, is the secretary to the board of directors.

3. COMMITTEE MEETINGS IN 2023 AND EXTERNAL ADVICE

3.1. Committee Meetings:

The Board of Directors Regulation provides that the ARCGC shall meet each time the Board of Directors or the Delegated Committee requests a report or the approval of proposals that fall within the scope of its powers and provided that the committee chairperson deems it warranted in the performance of their duties.

The following 10 committee meetings were held in 2023:

Meeting Date	No. of Committee Members	No. of Members in Attendance (1)	Prisa Managers in Attendance	Outside Consultants in Attendance
31 January	4	4	YES	NO

28 February	4	4	YES	YES
28 March	4	4	NO	NO
25 April	4	4	YES	NO
23 May	4	4	NO	NO
27 June	3	3	NO	NO
25 July	5	5	YES	NO
31 October	5	5	YES	YES
28 November	5	4	NO	YES
20 December	5	5	YES	NO

(1) In addition to attendance in person, this includes attendance by electronic means that allow the directors to participate directly in meetings. In that regard, proxies are not counted as attendance.

The Committee maintained a constant working relationship with the Chairman of the Board, with the Executive Chairmen of the businesses and with the CFO of PRISA (who are, in turn, executive directors of PRISA). It should be noted that the Chairmen of the ARCGC (first, Mrs. de Clermont-Tonnerre and, later, Mr. Carrillo) have also held the position of Coordinating Councilor, while they have held the chairmanship of the ARCGC.

Likewise, some executives of the Company have attended Commission meetings to report on matters related to their responsibilities. Such is the case of the Executive Chairmen of Santillana and PRISA Media, the Heads of People and Talent and the CRO and Director of Investor Relations).

The attendees participated in meetings at the invitation of the committee chair, participating only in those matters on the agenda in which they were asked to intervene. The moments at which the invitees joined and subsequently left the meetings were duly noted in the minutes, and they were not in attendance during the Committee's deliberations and voting.

3.2. External advice

During the 2023 fiscal year the Committee received independent external advice on the following matters, after the Committee duly verified that there were no conflicts of interests:

- i. In the preparation of the 2022 Board of Directors' self-assessment, the board received independent external advice from KPMG.
- ii. Russell Reynolds updated the Board's skills matrix to adapt it to the present composition of PRISA's Board of Directors. Russell Reynolds prepared the skills matrix for 2020, and had last updated it in December 2021.
- iii. Likewise, the Committee engaged Mercer Consulting to conduct a benchmarking and diagnostic concerning the compensation package for the Group's principal directors, focusing on whether the variable compensation model is in line with current market practices and tendencies.

4.- COMMITTEE ACTIVITIES DURING 2023

In addition to the duties assigned the ARCGC by law, it has the powers conferred upon it pursuant to article 28 of the Board of Directors Regulation.

The Company has a Sustainability Committee, being the board committee that promotes and supervises the implementation of PRISA's sustainability strategy and which, likewise, has certain powers related to the ARCGC. Consequently, in certain matters the Sustainability Committee and the ARCGC must coordinate their work. In that regard, it should be noted that two members of this ARCGC (its Chairman Mr. Fernando Carrillo and Ms. Carmen Fernández de Alarcón) are also members of the Sustainability Committee, which enhances communication between the two committees.

The Committee's Chairmen (first, Mrs. de Clermont-Tonnerre and, later, Mr. Carrillo) promptly informed the Board of Directors of the matters discussed and the decisions adopted at each of the Committee's meetings during 2023, which include the following:

4.1. Composition of the Board of Directors and of its Committees:

i. Changes in the composition of the Board of Directors and of its Committees:

- *Resignation, re-election and appointment of director*
 - During the first half of the year the following directors resigned: the proprietary director Mr. Khalid bin Thani bin Abdullah Al Thani as well as the independent directors Mrs. María Teresa Ballester and Mr. Rosauro Varo.
 - To cover the vacancy left by Mr. Al Thani's resignation, in February 2023 Ms. Pilar Gil Miguel (Grupo Prisa's Financial Director) was appointed by the Board as executive director.
 - At the annual shareholders meeting held on 27 June 2023 it was resolved: (i) to increase the number of directors from 14 to 15, (ii) to reelect proprietary directors Messrs. Joseph Oughourlian and Manuel Polanco and independent director Ms. Béatrice de Clermont-Tonnerre, (iii) to ratify the Board's interim appointment of Ms. Gil (likewise being reelected as director for a new three-year term), (iii) to appoint Mr. Fernando Carrillo Flórez and Ms. Isabel Sánchez García as independent directors, and (iv) to appoint Mr. Miguel Barroso Ayats as proprietary director. Commencing in March, 2021 Mr. Barroso had served as representative of Amber Capital UK, LLP on Prisa's Board of Directors, but current legislation precludes the latter from being reelected, since it is a legal entity.

On the occasion of the convening of the Shareholders' Meeting, the mandatory supporting reports prepared by the Board of Directors and by the ARCGC, in relation to the different proposals for re-election and appointment of directors, were made available to the shareholders.

- At the board meeting likewise held on 27 June following the shareholders meeting, the board appointed Ms. Margarita Garijo-Bettencour as independent director, to cover the vacancy left by Mr. Rosauro Varo (who resigned after the shareholders meeting was called).

- In addition, the following appointments were made at the aforementioned board meeting: Mr. Fernando Carrillo as First Non-executive Vice Chairperson of the Board of Directors and Coordinating Director, as well as Ms. Pilar Gil as Second Vice Chairperson of the Board of Directors.

After these changes, as of 31 December 2023, the composition of PRISA's Board of Directors was as follows: 15 directors (three executive directors, five proprietary directors and seven independent directors), seven of whom are women (representing 46.67% of the total board members, almost achieving gender equality and exceeding the 40% goal provided for in the Policy on Diversity of the Board of Directors and Director Selection and in the CNMV's good governance recommendations).

It should be noted that, after the close of the 2023 financial year, in January 2024, the director Mr. Miguel Barroso died. On February 21, 2024, the Board of Directors of PRISA, with the favorable report of the ARCGC, has agreed to the appointment, by co-option, of Ms. Sylvia Bigio as a director, with the category of proprietary director (representing the shareholding interest of the shareholder Amber Capital UK, LLP), to fill the vacancy on the Board following the death of Mr. Miguel Barroso.

- *Reorganization of the Board's Committees:*

In 2023, the Board of Directors, also at the proposal of the ARCGC, has reorganized the structure of Board Committees (Executive Committee, Audit, Risk and Compliance Committee, ARCGC and Sustainability Committee).

All instances of reelection and appointment of directors and election of officers were done at the proposal and with the favorable opinion of the ARCGC, in accordance with the provisions of the LSC and the Board of Directors Regulation.

The Committee actively participated in the search, selection and proposal of candidates to serve on the Board and its committees, promoting the addition of appropriate profiles. The ARCGC assessed and evaluated the biographies, experience and professional careers of the directors eligible for re-election or appointment, and took into account their suitability within the Board's skills matrix, as well as the provisions of the Policy on Diversity of the Board of Directors and Director Selection.

Regarding proprietary directors, likewise taken into account was the fact that the proposal of their re-election and appointment was made by the shareholders they represent, who hold significant shareholdings within the Company. In that regard it should be noted that proprietary directors represent significant shareholders who make appointments based on their own criteria, about which the Board can make recommendations, but not exercise a decisive influence.

ii. Qualitative composition of the Board

The ARCGC proposed classifying directors in the different categories of external proprietary director and external independent director, when they are appointed or re-elected.

Likewise, in 2023 the ARCGC also examined the classification of directors in categories when preparing the Annual Corporate Governance Report for 2022, which the ARCGC will do again shortly when it reviews the Annual Corporate Governance Report for 2023.

iii. Policy on Diversity of the Board of Directors and Director Selection and objective in terms of gender diversity:

PRISA has a Policy on Diversity of the Board of Directors and Director Selection” (hereinafter, “the Policy”), whose principles and objectives may be summarized as follows:

- Diversity in the Board’s composition in the broadest sense (knowledge, experience, origin, age and gender), with special emphasis on gender diversity, in relation to which: (i) efforts will be made to ensure that there is a significant number of women in the Company’s senior management and (ii) it is included an objective of obtaining before the end of 2022 and onward a minimum of 40% women directors on the Board, not having previously been less than 30%;
- Appropriate balance on the Board overall, to enrich the decision-making process and provide plural viewpoints when debating matters falling within its powers.

In January 2023 the ARCGC reviewed the compliance with this Policy during 2022.

Likewise, in January 2024, has reviewed compliance with this Policy during 2023, concluding the following (that will be explained in greater detail in the 2023 Annual Corporate Governance Report):

- During 2023 the principles, objectives and procedures provided for in the Policy were taken into account in proposals for the appointment and reelection of directors, as well as for election to other posts.
- The composition of the Board of Directors is reasonably diverse with regard to the directors’ knowledge, experience, origin, gender and age, having a positive balance overall. The number of members and its structure meet the Company’s needs.
- In fiscal year 2023, the objective of achieving a minimum female presence on the Board of 40% has been surpassed. At the end of the year, the Board has 7 female directors, representing 46.67% of its total members. With the addition of Ms. Bigio to the Board, in February 2024, the number of female directors has increased to 8, thus representing 53.33% of the total Board members.

The Board and the ARCGC ensured that the representation of women on board and committees was quite relevant. Moreover, two of the

committees are chaired by women, reflecting so the Board of Directors' commitment to gender diversity.

The women directors maintain a notable presence on company bodies. Ms Pilar Gil is the second deputy chairman of the Board of Directors and the committees of the Board of Directors are composed mainly of women:

Comittee	Number of total members	% Female directors	Chaired by a woman
Audit Risks and Compliance Committee	4	100%	YES
Sustainability Committee	4	75%	YES
ARCGC	5	60%	NO
Delegated Committee (*)	5	20%	NO

(*)Pursuant to the Board of Directors Regulation the Delegated Committee must be chaired by the Chairman of the Board.

iv. Board of Directors' Skills Matrix:

In 2023 the Committee engaged the external independent advisor Russell Reynolds to update the skills matrix. Russell Reynolds had previously prepared the skills matrix in 2020, and had updated it the last time in 2021.

4.2. Reorganization of Grupo PRISA's organizational chart and Senior Management:

Senior management is composed by the following executives: CFO of PRISA (who is also Deputy Chairman and executive director), executive chairmen of Santillana and PRISA Media (who are, in turn, PRISA executive director); Secretary to the Board of Directors of PRISA; Head of Corporate and Institutional Relations; Head of Communication; Chief Sustainability Officer; Head of People and Talent; and Director of Internal Audits of Prisa.

During 2023 the only change in this group was the replacement of the former Communications Director (Ms. Cristina Zoilo) with Ms. Ana Ortas. The ARCGC issued its report on Ms. Ortas' proposed appointment and basic contract conditions, as well as the conditions for terminating Ms. Zoilo's contract.

Thus, there was a clear effort to ensure women are present in top-level management positions. At the end of the financial year 2023, senior management personnel includes 5 women and 4 men and, thus, women comprise 55.55% of this collective.

The ARCGC has also reviewed the corporate organizational chart.

4.3. Compensation policy for directors and senior management:

The Committee has proposed to the Board the compensation policies and systems for directors and members of Senior Management, which are constantly being reviewed and updated. During the year, the Committee also evaluated and supervised the implementation of these policies.

i. Directors' Compensation Policy.

- *Contingency measures:*

At the beginning of the COVID-19 crisis, the Board of Directors resolved to put in place a contingency plan to adequate the cost structures of the businesses to the foreseeable circumstances which gave rise to a series of cost containment measures in 2020 and 2021. At the proposal of the ARCGC, some of these measures have continue to be applied to PRISA non-executive directors' remuneration in the 2022 and 2023 financial years (for further information, see the Directors' Remuneration Reports corresponding to said years).

Such actions have been aligned with the principles set forth in the Company's Remuneration Policy, by virtue of which the remuneration of the directors must be consistent with the best market practices and reflect the current situation, prospects and aims of sustainable growth of the Company, keeping a reasonable proportion with its economic and financial situation.

- *Amendment to the Directors' Compensation Policy:*

The Directors' Remuneration Policy for the years 2022, 2023 and 2024 (approved by the Ordinary Shareholders' Meeting held on June 28, 2022) has been replaced by a new Remuneration Policy for the years 2023, 2024 and 2025 ("Remuneration Policy 2023/2025"), which was approved at the Ordinary General Shareholders' Meeting held on June 27, 2023.

In accordance with the provisions of article 529 novodecies of the consolidated text of the Spanish Companies Act, a reasoned proposal from the Board and the ARCGC report on the new Remuneration Policy were made available to the shareholders (which are available on the corporate website www.prisa.com).

The Remuneration Policy 2022-2024 provided compensation for two executive directors (the executive chairmen of Santillana and PRISA Media). As already indicated, in February 2023 PRISA's Board of Directors appointed Ms. Pilar Gil Miguel (who from 1 July 2022 served as Grupo PRISA'S Financial Director) as executive director. At the ARCGC's proposal and pursuant to section 7.9 of the 2022/2024 Remuneration Policy (which provides for the incorporation of new executive directors during the term of the policy), the Board of Directors approved Ms. Pilar Gil's contract for the provision of services to the Company. Thus, effective 1 March 2023 Ms. Gil entered into a services contract with PRISA that provides for her compensation as executive director.

In view of the foregoing, the Board of Directors considered it warranted to propose adapting the Remuneration Policy to the company's new governing structure (which had three executive directors: Grupo PRISA's Financial Director and the executive chairmen of Santillana and PRISA Media), precisely to include the compensation system applicable to the new executive director.

Likewise, the Shareholders Meeting held in June 2023 approved the following amendments to the Remuneration Policy:

- i. to eliminate the requirement that compensation for the Chairman of the Board of Directors be higher than the remuneration of the rest of the board members;

- ii. to provide for the possibility that the same director may receive compensation for different positions that he may hold on the board;
- iii. to include the Board of Director's power to determine (at the ARCGC's proposal) the amount of remuneration to be awarded as fixed compensation, as per diem expenses for attending meetings, or a combination of both, without exceeding the limits provided for in the Policy, which will not be changed; and
- iv. to eliminate the limit on extraordinary incentives for executive directors envisioned in the Policy, with a view to providing the Board with greater flexibility when determining those incentives and in order to make the incentives system more efficient, facilitating adaptation to changing circumstances in the markets, while maintaining the conditions for receiving such incentives (such as clawback clauses and the directors's requisite uninterrupted term of service in Grupo PRISA).

This amendment to the Policy likewise provided an opportunity to expand the information concerning the objectives linked to variable annual compensation, as well as to update the information concerning medium and long-term variable compensation for executive directors (specifically, the date of the shareholders' approval of the medium-term incentives payable in shares was included, together with the number of theoretical shares that have already been assigned to the executive directors). Other minor adjustments and improvements of a technical nature were also made.

In summary, the 2023/2025 Remuneration Policy is in line with the previous one, although adapted to the Company's new governing structure (including a specific compensation system for the new executive director), while implementing others that enable the directors' compensation system to likewise be adapted to possible reorganizations in the distribution of positions, functions and responsibilities on the Board of Directors, as well as to other circumstances that might prove essential when awarding extraordinary incentives to executive directors.

ii. Directors' Compensation Report

The ARCGC proposed the Compensation Report for the Board of Directors for 2023, with information concerning the application of the 2022 compensation policy, which was submitted for approval on a consultative basis at the ordinary shareholders meeting of 27 June 2023.

In 2024, the Remuneration Report for 2024 will be published, explaining the application of the Remuneration Policy during 2023.

iii. Compensation for the executive directors and Senior Management.

Taking into account the strategic plan and the Company's circumstances, the Committee defined the objectives, metrics, and compliance levels for the short and medium term compensation plans for executive directors and senior management, and supervised and assessed their performance.

- *Annual variable remuneration:*
 - *2022 Annual variable remuneration:*

In 2023, the ARCGC analyzed the objectives achieved by the key Group's managers for 2022, and approved payment of the corresponding amounts.

- *2023 Annual variable remuneration:*

At the ARCGC's proposal, in 2023 the objectives for the 2023 variable compensation for the principal Group executives were approved.

In 2024 the ARCGC assessed the extent to which the principal Group executives had met the established objectives in order to receive the variable compensation provided for 2023, subsequently sending the proposed payouts to the Board of Directors.

- *Multiyear variable compensation:*

The Company presently has the following medium term compensation systems:

- Medium-term Incentive Plan 2020-2023, linked to the creation of value of Santillana through the implementation of a corporate transaction, payable in cash (intended for certain key PRISA and Santillana managers, including CFO Ms Pilar Gil and Santillana's Executive Chairman Mr Francisco Cuadrado, who are, in turn, executive directors of PRISA).
- "PRISA 2022-2025 Incentive Plan of the CFO Ms Pilar Gil" payable in shares.
- Santillana's Chairman (Mr Francisco Cuadrado) Medium-term Incentive Plan 2022-2025, payable in shares:
- PRISA Media's Chairman (Mr Carlos Nuñez) Medium-term Incentive Plan 2022-2025 payable in shares.

2022-2025 Incentive Plan for PRISA Media, Santillana and PRISA's executives, payable in shares. Only one of the members of the senior management is a beneficiary of this Plan.

In 2023 the ARCGC assessed the degree to which the Plans' objectives were achieved in 2022, presenting to the Board the corresponding proposal for payment.

The ARCGC likewise authorized the award of the corresponding shares accrued to the plan beneficiaries.

- *Verification of information concerning compensation for directors and senior managers contained in different corporate documents*

In 2023 the ARCGC reviewed the information concerning compensation for directors and senior managers contained in the annual and semi-annual financial information prior to its disclosure to the markets.

- *Review of the compensation policy applied to directors and senior management.*

In 2023 the ARCGC reviewed the application of the compensation policy for directors and senior management during 2022, verifying that all payments made during that year to those groups were in line with company compensation policy and with several resolutions adopted in that regard and, especially, with regard to directors, with Prisa's Directors Compensation Policy.

The same review has been conducted in 2024 for the 2023 fiscal year.

4.4. Talent Management in the Organization

During 2023, the executive chairmen of Santillana and PRISA Media gave a series of presentations to the Committee, each within the scope of their respective businesses, concerning the sociological transformation that the talent market is experimenting, their adaptation to new scenarios, the the internal strategy that is being implemented regarding talent management in the organization.

4.5. Corporate governance system

i. Internal regulations and recommendations on corporate governance:

In 2023, in line with the Company's aim of constantly updating and reviewing its corporate governance system and internal regulations, a part of its internal regulations was reviewed and updated, at the proposal or with the prior report of the ARCGC. It is worth highlighting, among others:

- Update and subsequent amendment to the Investment and Financing Policy, the Risk Control and Management Policy, and the Directors Travel Policy.
- Update and subsequent amendment to the Board of Directors Regulation and the Internal Code of Conduct in Matters Concerning the Securities Market.
- Approval of a Policy on Information Security and Continuing Business.

Additionally, the Committee carried out a review of the Company's compliance with the CNMV's recommendations on corporate governance.

ii. Annual Corporate Governance Report:

In 2023, the ARCGC proposed the Annual Corporate Governance Report for 2022 to the Board of Directors. In March 2024 the ARCGC will likewise propose the Corporate Governance Report for 2023 to the Board.

iii. Sustainability Report:

In April 2023 the ARCGC examined and reported favorably on the Sustainability Report for 2022, which was approved by the Board of Directors.

iv. Information, communication and contacts with shareholders, institutional investors and proxy advisors policy:

The Company has a policy on information, communication and contacts with shareholders, institutional investors and proxy advisors that sets out the main principles governing PRISA's communication with these groups.

In 2023 the ARCGC verified application of the general principles and codes of conduct established in the Policy for 2022. The ARCGC conducted this verification again with regard to 2023.

4.6. Self-assessment of the Board

During 2023, a self-assessment was conducted of the composition and work of the Board of Directors and its committees during 2022. The performance of the Chairman of the Board, the executives directors, the Chairmen of the Committees and the Coordinating Director was also assessed.

The assessment was conducted with the collaboration of KPMG, as independent external advisor, based on information provided by the directors using questionnaires and personal interviews conducted with them by KPMG.

The ARCGC delivered its report with the results of the assessment to the Board of Directors. The general evaluation of the directors was very positive, having detected no significant changes when compared with the results of the self-assessment conducted the previous year, and having found no relevant problems concerning the functions fo the Board and its committees.

Based on the results of the annual evaluation and At the proposal of the ARCGC, the Board of Directors approved an action plan to implement improvements.

Among other matters, during the process of self-assessment the directors expressed an interest in having a more in-depth knowledge of key issues relating to PRISA strategy. In that regard, the documentation distributed at board meetings includes executive summaries of the principal issues and specific presentations have been made on strategic matters of interest.

Noteworthy actions taken throughout the year include reorganizing and reducing the size of the Delegated Committee and the addition of a director who is a prestigious Latin American professional from Colombia (Mr. Fernando Carrillo) who, moreover, was appointed as First Vice Chairman of the Board with a view to reinforcing the group's institucional role in Latin America. Likewise, with the addition of more women on the Board, the 40% gender diversity goal was surpassed, with women representing 46.67% of board members.

In line with the aforementioned action plan, the Board of Directors Regulation was also amended, principally to emphasize the directors' obligation to attend board and committee meeting, as well as to give priority to in-person attendance at meetings (vs. remote attendance).

In other respects, in 2024 a self-assessment was conducted of the functioning and composition of the Board of Directors and its committees during 2023. This was done internally, without outside advice (since KPMG collaborated in the 2022

assessment and the CNMV recommends having outside support at least every three years).

The ARCGC forwarded the Board a report with the results of the assessment, with a proposed action plan to correct the deficiencies detected, which will be reported on in detail next year.

4.7. Other responsibilities:

i. Annual Work Plan.

As a good governance practice and as provided for in the Board of Directors Regulation, in December 2023 the ARCGC has approved its Work Plan for the year 2024.

ii. Annual Report on the Committee's Work.

The ARCGC issued a report on the work that it undertook in 2022, which was made available to shareholders when the ordinary shareholders meeting held in June 2023 was called.

5.- CONCLUSIONS

- i. The ARCGC's composition is diverse and as a group have a reasonable level of knowledge and experience required to address matters falling within its purview.
- ii. The Committee held meetings more frequently than required in the Board of Directors Regulation and in the CNMV's Technical Guideline 1/2019, and always when necessary to address the matters brought before it.
- iii. The members of the ARCGC have fulfilled their duties with responsibility, independence, freedom of opinion and dedication. During its meetings, the Committee promoted constructive dialogue among its members, freedom of expression, and critical thought, which contributed to enriching their analyses and the results of their work.
- iv. Prior to meetings, committee members had available all of the necessary information concerning the various items on the agenda, to enable them to be able to deliberate and to take informed decisions. When necessary, the Committee likewise received advice from outside experts, after having verified in each case that there were no conflicts of interests that might compromise their independence.
- v. The Committee acted and addressed matters that fall within its powers, pursuant to the provisions of the Board of Directors Regulation. Among its most significant activities during 2023, the following are noteworthy: matters concerning the composition of the Board of Directors and its committees (particularly, the increase in the number of women on the Board); updating the directors remuneration policy; defining and reviewing the achievement of objectives linked to compensation for executive directors and senior Group management; analysis of information concerning the talent market and management of human capital within the organization; review of internal company regulations; review of the application of certain internal policies (regarding the selection and appointment of directors,

compensation, and communication between the Company and shareholders, investors and other market agents; preparation and proposal of the reports that the Company is required to file with the market authorities (among others, the Annual Corporate Governance Report and the Annual Report of Directors Compensation); and the Board of Directors' self-assessment.

- vi. The objective of this ARCGC report is to inform shareholders and other interested parties regarding the Committee's work and activities conducted during the 2023 fiscal year.

This report was prepared by the ARCGC in February 2024 and has been submitted to the Board of Directors on May 23, 2024.