



Annual Corporate Governance Report

for the year ended 31 December 2023

Data identify issuer

Ending date of reference financial year	31/12/2023
Tax Identification Code [C.I.F]	A88063979
Registered name	AmRest Holdings SE
Registered office	Paseo de la Castellana 163, 10° floor, 28046 Madrid, Spain





AmRest Holdings SE

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for the year ended 31 December 2023

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A OWNERSHIP STRUCTURE

A.1 Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company bylaws contain the provision of double loyalty voting:

Yes No

Date of the last modification of the share capital	Share capital (euros)	Number of shares	Number of voting rights
15/10/2018	21,955,418.30	219,554,183	219,554,183

Indicate whether there are different classes of shares with different associated rights:

Yes No

A.2 List the company's significant direct and indirect shareholders at year end, including directors with a significant shareholding:

Name or company name of shareholder	% of voting rights attached to the shares		% of voting rights through financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
Artal International, S.C.A.	5.18	0.00	0.00	0.00	5.18
FCapital Dutch, S.L.	67.05	0.00	0.00	0.00	67.05
Nationale-Nederlanden Open Pension Fund	4.88	0.00	0.00	0.00	4.88
Powszechne Towarzystwo Emerytalne Allianz Polska, S.A.	0.00	4.34	0.00	0.00	4.34

Remarks

Mr. Carlos Fernández González owns indirectly the majority of the share capital and voting rights of FCapital Dutch, S.L. (direct holder of the shareholding stated in the table above).

Breakdown of the indirect holding

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares	% of voting rights through financial instruments	% of total voting rights
Powszechne Towarzystwo Emerytalne Allianz Polska, S.A.	Allianz Polska Otwarty Fundusz Emerytalny	4.339	0.00	4.339
Powszechne Towarzystwo Emerytalne Allianz Polska, S.A.	Allianz Polska Dobrowolny Fundusz Emerytalny	0.002	0.00	0.002

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

Most significant movements
<p>Pursuant to the notification sent on March 7, 2023 by Powszechne Towarzystwo Emerytalne Allianz Polska, S.A. (PTE Allianz) to the Spanish National Securities Market Commission ("CNMV"), the merger between the fund managers PTE Allianz and Aviva Powszechne Towarzystwo Emerytalne Aviva Santander, S.A. (PTE Aviva) was completed on December 30, 2022. Following the merger, PTE Allianz managed three funds:</p> <ul style="list-style-type: none"> - Drugi Allianz Polska Otwarty Fundusz Emerytalny - ex Aviva Otwarty Fundusz Emerytalny Aviva Santander (formerly called Aviva Otwarty Fundusz Emerytalny Aviva BZWBK) - Allianz Polska Otwarty Fundusz Emerytalny - Allianz Polska Dobrowolny Fundusz Emerytalny <p>After the merger, the total share of voting rights of PTE Allianz in AmRest Holdings, SE became 4.34%</p> <p>Subsequently, according to the notification sent on May 18, 2023 to the CNMV, on May 12, 2023 the merger between Drugi Allianz Polska Otwarty Fundusz Emerytalny (liquidated) and Allianz Polska Otwarty Fundusz Emerytalny was carried out, and the share of voting rights of PTE Allianz in AmRest Holdings, SE (4.34%) remained unchanged.</p>

A.3 Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A2 above:

Name or company name of director	% of voting rights attached to the shares (including votes for loyalty)		% of voting rights through financial instruments		% of total voting rights	From % total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect

Total percentage of voting rights held by the Board of Directors	0.00
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Breakdown of the indirect holding

Name or company name of director	Name or company name of the direct owner	% of voting rights attached to the shares (including votes for loyalty)	% of voting rights through financial instruments	% of total voting rights	From % total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote

List the total percentage of voting rights represented on the board:

Total percentage of voting rights held by the Board of Directors	67.05
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Remarks
See Section A.2.

A.4 If applicable, indicate any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are insignificant or arise in the ordinary course of business, with the exception of those reported in section A.6:

Name or company name of related party	Nature of relationship	Brief description

A.5 If applicable, indicate any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or its group, unless they are insignificant or arise in the ordinary course of business:

Name or company name of related party	Nature of relationship	Brief description

A.6 Unless insignificant for both parties, describe the relationships that exist between significant shareholders, shareholders represented on the Board and directors or their representatives in the case of directors that are legal persons.

Explain, if applicable, how the significant shareholders are represented. Specifically, indicate those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders, or who are linked to significant shareholders and/or companies in their group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of any directors of the listed company, or their representatives, who are in turn members or representatives of members of the Board of Directors of companies that hold significant shareholdings in the listed company or in 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 group company of the significant shareholder	Description of relationship/post
Mr. José Parés Gutiérrez	FCapital Dutch, S.L.	Grupo Finaccess S.A.P.I. de C.V.	Director of Grupo Finaccess S.A.P.I. de C.V.
Mr. Luis Miguel Álvarez Pérez	FCapital Dutch, S.L.	Grupo Finaccess S.A.P.I. de C.V.	Director of Grupo Finaccess S.A.P.I. de C.V.
Ms. Begoña Orgambide García	FCapital Dutch, S.L.	Grupo Finaccess S.A.P.I. de C.V.	Director of FCapital Dutch, S.L.

A.7 Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Articles 530 and 531 of the Spanish Corporate Enterprises Act. If so, describe them briefly and list the shareholders bound by the agreement:

Yes No

Indicate whether the company is aware of any concerted actions among its shareholders, If so, provide a brief description:

Yes No

If any of the aforementioned agreements or concerted actions have been amended or terminated during the year, indicate this expressly:

A.8 Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act, If so, identify them:

Yes No

Name or company name

Mr. Carlos Fernández González

Remarks

Mr. Carlos Fernández González owns indirectly the majority of the share capital and voting rights of FCapital Dutch, S.L. (owns 67.05% of the share capital of AmRest Holdings, SE).

A.9 Complete the following table with details of the company's treasury shares:

At the close of the year:

Number of direct shares	Number of indirect shares (*)	Total percentage of share capital
1,412,446	-	0.64%

(*) Through:

Name or company name of direct shareholder	Number of direct shares

Explain any significant changes that have occurred during the financial year:

Explain significant changes

The significant changes in the Company's treasury shares during the financial year 2023 are due to the treasury stock acquisition transactions carried out under the two Share Buyback Programs approved by the Board of Directors of AmRest within the framework of the authorization granted to it by resolution of the Company's General Shareholders' Meeting, held on May 12, 2022, under the ninth item on the agenda, and in accordance with Article 5 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council, of 16 April 2014, on market abuse, and Articles 2.2 and 2.3 of Commission Delegated Regulation (EU) 2016/1052, of March 8, 2016.

These Share Buyback Programs of treasury shares were communicated to the Spanish National Securities Market Commission by means of communication of Inside Information dated July 4, 2023 and December 1, 2023, respectively.

A.10 Provide a detailed description of the conditions and terms of the authority given to the Board of Directors to issue, repurchase, or dispose of treasury shares.

In connection with the authorization granted to the Board of Directors by the General Shareholders' Meeting to acquire the Company's own shares, the Ordinary General Shareholders' Meeting of AmRest held on May 12, 2022 resolved to renew the previous authorization granted by the General Shareholders' Meeting of June 6, 2018, on the terms that are literally set forth below:

"Leave without value or effect, in the unused part of the resolution approved under item nine of the Agenda of the Ordinary General Shareholders Meeting, held on 6 June 2018, concerning the authorisation granted to the Board of Directors for the derivative acquisition of Company treasury shares, directly or through companies of the group and for the disposal of the same.

Grant express authorisation for the derivative acquisition of Company treasury shares, directly through the Company or through any of its subsidiaries.

Approve the limits or requirements of these acquisitions, which will be as follows:

- (i) Methods of acquisition: by share purchase deed or by any other "inter vivos" transfer for valuable consideration.*
- (ii) Maximum amount: That the nominal value of the shares acquired directly or indirectly, added to the value of those already held by the Company and its subsidiaries, and, where applicable, the parent company and its subsidiaries, does not exceed, at any time, the permitted legal maximum.*

- (iii) *Characteristics of the acquired shares: That the acquired shares are free of any charge or encumbrance, are fully disbursed and are not affected by the fulfilment of any kind of obligation.*
- (iv) *Required reserve: That a restricted reserve, equivalent to the amount of the treasury shares reflected in the assets, may be provided in the Company's equity. This reserve must be maintained as long as the shares are not sold or redeemed or there is a legislative amendment authorising it.*
- (v) *Term: five (5) years from the date of approval of this resolution.*
- (vi) *Minimum and maximum price: The acquisition price must not be less than the nominal value or more than 20% of the listed price in both cases at the time of the acquisition in question. The acquisition of treasury shares will be in accordance with the rules and practices of the securities markets. All the above, without prejudice to the application of the general scheme of derivative acquisitions provided for in Article 146 of the current Companies Act.*

It is expressly stated that the shares acquired as a result of this authorisation may be traded or redeemed, as well as applied to remuneration schemes, plans or agreements, in effect at any time, by providing shares and stock options to members of the Board of Directors and to management personnel of the Company or its Group. In addition, it is expressly authorised that the shares acquired by the Company or its subsidiaries in the use of this authorisation, and those owned by the Company at the date of this General Meeting, may be allocated in whole or in part to facilitate the fulfilment of these plans or agreements, as well as for the development of programmes that promote equity participation in the Company, such as dividend reinvestment plans, loyalty bonds or other similar instruments.

The Board of Directors is also authorised to replace the powers delegated to it by this General Shareholders Meeting in relation to this resolution, in favour of the Chairman of the Board of Directors, the Secretary or the Deputy Secretary of the Board."

In addition, a resolution was also passed at the General Shareholders' Meeting to delegate the authority to the Board of Directors to increase the company's share capital (within the maximum period of five years from the date of the resolution, once or more times, and up to a maximum amount equivalent to half the share capital at the time of the authorisation), as well as to issue bonds, debentures and other fixed income securities convertible into shares, warrants or other similar securities that may grant the right to the subscription of shares, as well as promissory notes and preference shares or debt instruments of a similar nature, in turn delegating the authority to exclude the pre-emptive subscription right in these issued securities up to a limit of 20% of the share capital, in accordance with the terms of the Spanish Capital Companies Act.

A.11 Estimated float:

	%
Estimated float	17.91

A.12 Indicate whether there are any restrictions (articles of incorporation, legislative or of any other nature) placed on the transfer of shares and/or any restrictions on voting rights. In particular, indicate the existence of any type of restriction that may inhibit a takeover of the company through acquisition of its shares on the market, as well as such regimes for prior authorisation or notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

Yes No

A.13 Indicate whether the general shareholders' meeting has resolved to adopt measures to neutralise a takeover bid by virtue of the provisions of Law 6/2007.

Yes No

If so, explain the measures approved and the terms under which such limitations would cease to apply:

A.14 Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes No

If so, indicate each share class and the rights and obligations conferred.

B GENERAL SHAREHOLDER'S MEETING

B.1 Indicate whether there are any differences between the minimum quorum regime established by the Spanish Corporate Enterprises Act for General Shareholders' Meetings and the quorum set by the company, and if so give details:

Yes No

	% quorum different from that established in Article 193 of the Spanish Corporate Enterprises Act for general matters	% quorum different from that established in Article 194 of the Spanish Corporate Enterprises Act for special resolutions
Quorum required at 1st call	40%	60%
Quorum required at 2nd call		40%

Description of differences
<p>% quorum different from that established in Article 193 of the Spanish Corporate Enterprises Act for general matters</p> <p>Quorum required at 1st call: at least 40% of share capital subscribed with voting rights Quorum required at 2nd call: N/A</p> <p>% quorum different from that established in Article 194 of the Spanish Corporate Enterprises Act for special resolutions</p> <p>Quorum required at 1st call: at least 60% of share capital subscribed with voting rights Quorum required at 2nd call: at least 40% of share capital subscribed with voting rights</p>

B.2 Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided in the Spanish Corporate Enterprises Act and, if so, give details:

Yes No

	Qualified majority different from that established in Article 201.2 of the Spanish Corporate Enterprises Act for matters referred to by Article 194.1 of said Act	Other matters requiring a qualified majority
% established by the company for the adoption of resolutions	0	50

In accordance with the provisions of Article 20 of the Company's Bylaws, corporate resolutions shall be approved by the General Shareholders' Meeting by the majority of votes required by law in each case, with the sole exception of the majority required to waive the prohibition of competition in accordance with the provisions of Article 25 bis of the Company's Bylaws, which provides that the waiver shall require the favourable vote of at least more than half of the share capital with voting rights.

B.3 Indicate the rules for amending the company's articles of incorporation. In particular, indicate the majorities required for amendment of the articles of incorporation and any provisions in place to protect shareholders' rights in the event of amendments to the articles of incorporation.

Pursuant to Article 19 of AmRest's Bylaws and Article 16 of the General Shareholders' Meeting Regulation, where an ordinary or extraordinary General Shareholders' Meeting is arranged to discuss amendments to the Bylaws, included increasing or reducing the share capital, issuing bonds within the scope of its powers, cancelling or limiting shareholders' preferential subscription rights over new shares, transforming, merging, splitting off, globally assigning assets and liabilities, moving the registered office abroad or winding up of the Company, shareholders representing at least 60% of the share capital subscribed with voting rights must be in attendance at the first call (*'primera convocatoria'*) for such meeting(s) to be considered valid. At second call (*'segunda convocatoria'*), at least 40% of the subscribed capital with voting rights is required.

With regard the majorities required for amendments to the Bylaws, Article 20 of AmRest's Bylaws and Article 26 of the General Shareholders' Meeting Regulation refer to the terms set forth by law, i.e. at the first call, absolute majority where shareholders representing at least 50% of the capital subscribed with voting rights are present. At second call, where shareholders representing less than 50% of the capital subscribed with voting rights are present, resolutions concerning amendments to the Bylaws may only be validly adopted with a favourable vote of two-thirds of the present or represented share capital at the General Shareholders' Meeting.

Also, and in pursuance to section 286 of the Spanish Capital Companies Act, if the Bylaws are amended, the Directors or, if appropriate, the shareholders who made the proposal must draw up in full the text of their proposed amendment and a written report justifying the amendment, which must be made available to the shareholders when the General Shareholders' Meeting is called to deliberate on the amendment.

Furthermore, and pursuant to section 287 of the Capital Companies Act, the notice calling the General Shareholders' Meeting must clearly state the items that might be amended, and note that all the shareholders are entitled to analyse the full text of the proposed amendment and the report on such amendment at the registered offices, as well as to request such documents to be delivered or sent to them free of charge.

Pursuant to section 291 of the Capital Companies Act, when new obligations are established for the shareholders due to an amendment of the Bylaws, the resolution must be passed with the approval of the affected shareholders. Furthermore, if the amendment directly or indirectly affects a type of shares, or part of them, the provisions of section 293 of such Act shall apply.

The procedure for voting on proposed resolutions at the General Shareholders' Meeting is regulated in section 197 bis of the Capital Companies Act and in the internal regulations of AmRest, in particular, article 24 of the Regulations for the General Shareholders' Meeting. This article states, among other things, that when amendments are made to the Bylaws, each article or group of articles which is materially different will be voted on separately (voting, as an exception, as a whole on those proposals that are configured as unitary and indivisible, such as those related to the approval of a consolidated text of the Bylaws).

B.4 Give details of attendance at General Shareholders' Meetings held during the reporting year and the two previous years:

Date of General Meeting	Attendance data				Total
	% physically present	% present by proxy	% distance voting		
			Electronic voting	Other	
11/05/2023	0.00%	69.49%	0.00%	0.00%	69.49%
Of which floating capital:	0.00%	1.77%	0.00%	0.00%	1.77%
12/05/2022	0.00%	74.61%	0.00%	0.00%	74.61%
Of which floating capital:	0.00%	7.02%	0.00%	0.00%	7.02%
30/06/2021	0.00%	70.00%	0.00%	0.00%	70.00%
Of which floating capital:	0.00%	2.95%	0.00%	0.00%	2.95%
12/05/2021	0.00%	68.72%	0.00%	0.00%	68.72%
Of which floating capital:	0.00%	1.67%	0.00%	0.00%	1.67%

B.5 Indicate whether any point on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason.

Yes No

B.6 Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes No

B.7 Indicate whether it has been established that certain decisions, other than those established by law, entailing an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions must be submitted for approval to the General Shareholders' Meeting.

Yes No

B.8 Indicate the address and manner of access on the company's website to information on corporate governance and other information regarding General Shareholders' Meetings that must be made available to shareholders through the company website.

The company's website address is www.amrest.eu.

Information on corporate governance, including information on the General Shareholders' Meeting, can be found by accessing directly from AmRest's home page (www.amrest.eu) to the "Investors" section (<https://www.amrest.eu/en/investors/investors-and-shareholders>) and, from there, to the "Corporate Governance" and "General Shareholders' Meeting" subsections, which include not only all the information that is legally required but also information that the Company considers to be of interest.

C STRUCTURE OF THE COMPANY'S ADMINISTRATION

C.1 BOARD OF DIRECTORS

C.1.1 Maximum and minimum number of directors established in the articles of incorporation and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	5
Number of directors set by the general meeting	7

C.1.2 Complete the following table on Board members:

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure	Date of birth
Mr. José Parés Gutiérrez		Executive	Chairman	October 5, 2017	May 12, 2022	General shareholders' meeting resolution	August 12, 1970
Mr. Luis Miguel Álvarez Pérez		Proprietary	Vice Chairman	October 5, 2017	May 12, 2022	General shareholders' meeting resolution	January 31, 1970
Ms. Begoña Orgambide García		Proprietary	Director	May 11, 2023	May 11, 2023	General shareholders' meeting resolution	March 1, 1979
Ms. Romana Sadurska		Independent	Director	May 14, 2019	June 10, 2020	General shareholders' meeting resolution	July 28, 1951
Mr. Emilio Fullaondo Botella		Independent	Director	May 14, 2019	June 10, 2020	General shareholders' meeting resolution	May 22, 1971
Mr. Pablo Castilla Reparaz		Independent	Lead Independent Director	October 5, 2017	May 12, 2022	General shareholders' meeting resolution	December 6, 1960
Ms. Mónica Cueva Díaz		Independent	Director	July 1, 2020	May 12, 2021	General shareholders' meeting resolution	April 6, 1965
Total number of Directors							7

Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
Mr. Carlos Fernández González	Proprietary	May 12, 2022	May 11, 2023		YES

Reason for cessation when this occurs before the end of the term of office and other observations; information on whether the director has sent a letter to the remaining members of the board and, in the case of cessation of non-executive directors, explanation or opinion of the director dismissed by the general meeting.

Mr. Carlos Fernández González, by means of a letter addressed to all the members of the Board of Directors, communicated his resignation as director of the Company, being such resignation effective after the termination of the Ordinary General Shareholders' Meeting held on May 11, 2023. The reasons for his resignation were professional.

The Board of Directors accepted the resignation submitted by Mr. Carlos Fernández González and approved to distinguish him, effective as of the date of his resignation as director (May 11, 2023) with the appointment as Chairman of Honour of AmRest Holdings, SE (honorary position that, in accordance with Article 15 of the Regulations of the Board of Directors, the Board might grant in favour of whom, having been a director, has left the Board and that, because of his merits and extraordinary dedication to the purposes of the Company, has earned that distinction).

C.1.3 Complete the following table on Board members and their different category:

EXECUTIVE DIRECTORS

Name or company name of director	Post in organizational chart of the company	Profile
Mr. José Parés Gutiérrez	Executive Chairman	Graduated from Universidad Panamericana, Mexico (Business and Finance) and completed his MBA at ITAM, Mexico, as well as the Business D-1 Program at IPADE, Mexico, and Executive Programme at Wharton, San Francisco. CEO of Finaccess Capital (Mexico) since 2013 and Chairman of the Board of Directors of Restaurant Brands New Zealand Limited. He has international experience in marketing, sales, finance and operational management. He spent 19 years of his career working in various roles for Grupo Modelo (Mexico) and was the member of the Board of Crown Imports (Chicago, Illinois), Vice Chairman of the Board of MMI (Toronto, Canada), member of the Board of DIFA (Mexico) and member of the Mexican Brewers Association (Cámara de Cerveceros de México).
Total number of Executive Directors		1
Percentage of Board		14.29

EXTERNAL PROPRIETARY DIRECTORS

Name or company name of director	Name or company name of the significant shareholder represented by the director or that nominated the director	Profile
Mr. Luis Miguel Álvarez Pérez	FCapital Dutch, S.L.	Graduated from Universidad Iberoamericana (Industrial Engineering) and completed the International Management Program at Fort Lauderdale, Florida (IPADE Business School), the International Top Management Program (ITAM, Ashridge, Kellogg, IMD, Stanford) and the Building Skills for Success Program at Wharton, San Francisco. Board Member, Audit Committee Member and Investment Committee Member of Finaccess, S.A.P.I. (since 2013). Founder and CEO of Compitalia, S.A. de C.V. Member of the Board of Directors and of the Appointments and Remuneration Committee of Restaurant Brands New Zealand Limited. Previously held several roles at Grupo Modelo (Mexico) for more than 25 years. Currently he is a member of the Board of Directors of numerous private companies and NGOs, in addition to holding various positions in the Finaccess Group.

Ms. Begoña Orgambide García FCapital Dutch, S.L.

She holds a degree in Administration and Finance with honors from Universidad Panamericana, where she also studied a Master's Degree in Investment Project Evaluation. She holds a Diploma in Communication and Corporate Reputation from Universidad Anáhuac and a Senior International Management Program (PADI), taught by ITAM, in collaboration with Kellogg, Stanford and Ashridge. She is currently Director of Investor Relations at Finaccess Capital, S.A. de C.V. and has developed expertise in investment analysis, mainly in the restaurant and real estate sector, and return evaluation. She is also responsible for the design and implementation of the communication strategy for the investor group regarding the financial situation and evolution of the different investments. Previously she was Director of Investor Relations at Grupo Modelo S.A.B. de C.V. and subsequently held the same position at Grupo Sports World S.A.B. de C.V. In 2015 she joined Walmart de México S.A.B. de C.V. as Director of Strategic Planning and M&A.

Total number of proprietary directors 2

Percentage of Board 28.57

EXTERNAL INDEPENDENT DIRECTORS

Name or company name of director	Profile
Mr. Pablo Castilla Reparaz	He holds a Bachelor's Degree of Laws (Universidad Complutense - CEU) as well as a Master's Degrees in Tax Legal Advice and EU Law (ICAI – ICADE) and finished Advanced Management Program for Overseas Bankers (the Wharton School of the University of Pennsylvania). He has more than 30 years of experience in the banking sector as a lawyer for Banco Santander, S.A., having been responsible for M&A transactions in several jurisdictions. He has also served as Director of Santander Direkt Bank (Germany), Director of Banco Mercantil (Peru), Secretary non director of BT Telecomunicaciones S.A., director Secretary of Santander Investment, S.A., Secretary of the Investment Committee of Grupo Santander, director Secretary of OpenBank and director Secretary of Grupo Vitaldent.
Ms. Mónica Cueva Díaz	She holds a degree in Economic and Business Sciences and Executive MBA from the Instituto de Empresa. She worked with Banco Santander for more than 30 years, holding various roles in different jurisdictions, generally linked to the financial, accounting and control areas, also participating in important integration processes such as the acquisition of ABN AMRO. Ms. Mónica Cueva has also been a college professor and lecturer, a member of the European Banking Authority representing Banco Santander, and a director in numerous companies of the Santander Group. She currently holds the position of director of Banco Santander Río (Argentina).
Ms. Romana Sadurska	Law graduate (University of Warsaw), LL.M from Yale University and PhD from the Polish Academy of Sciences. She was a professor at the University of Sidney and the Australian National University. She was also partner Secretary General of the Spanish law firm Uría Menéndez, being responsible for the practice area of Central and Eastern Europe of said firm. She currently is a member of the Patronage ("Patronato") of the Aspen Institute Spain.
Mr. Emilio Fullaondo Botella	He holds a degree in Public Accounting and an MBA from the Instituto Tecnológico Autónomo de México (ITAM) and completed the Executive Management of the Instituto Panamericano de Alta Dirección de Empresa (IPADE). He has held senior management positions for more than 23 years in the beer industry, leading various departments related to the financial area of the Mexican beer group Grupo Modelo, including the position of Chief Financial Officer for a period of 4 years and subsequently in the Belgian company AB InBev, following the acquisition by Grupo Modelo as Chief People Officer for Middle Americas until his resignation in January 2019. Currently, he is an independent director of the Restaurant Brands New Zealand Limited.
Number of independent directors 4	
Percentage of the Board 57.14	

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

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
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OTHER EXTERNAL DIRECTORS

Identify the other external directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their ties with the company or its management or shareholders:

Name or company name of director	Reason	Company, manager or shareholder to which or to whom the director is related	Profile
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Total number of other external directors

Percentage of the Board

Indicate any changes that have occurred during the period in each director's category:

Name or company name of director	Date of change	Previous category	Current category
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C.1.4 Complete the following table with information relating to the number of female directors at the close of the past four years, as well as the category of each:

	Number of female directors				% of total directors for each category			
	Year 2023	Year 2022	Year 2021	Year 2020	Year 2023	Year 2022	Year 2021	Year 2020
Executive	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Proprietary	1	0	0	0	50.00%	0.00%	0.00%	0.00%
Independent	2	2	2	2	50.00%	50.00%	50.00%	50.00%
Other external	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Total	3	2	2	2	42.86%	28.57%	28.57%	28.57%

C.1.5 Indicate whether the company has diversity policies in relation to its Board of Directors on such questions as age, gender, disability, education and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Spanish Auditing Act, will have to report at least the policy that they have implemented in relation to gender diversity.

Yes No Partial policies

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the nomination and remuneration committee to achieve a balanced and diverse presence of directors.

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

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

AmRest has a Diversity Policy in relation to the Board of Directors and the Selection of Directors, adapted to the applicable regulations and the recommendations of the Good Governance Code of the Spanish National Securities Market Commission (CNMV) currently in force.

This Policy ensures that the procedures for selecting directors are based on a prior analysis of the skills required by the Board of Directors, and favours thereof diversity of knowledge, training and professional experience, age and gender on the Board, free from any implicit bias that might imply any form of discrimination, particularly on account of gender, disability or any other personal condition, and that facilitate the selection of female directors in a number that allows the achievement of an equal balance of women and men.

In accordance with the provisions of said Policy and with the Regulations of the Board of Directors, and in accordance with the criteria applied in practice by the Company, the selection of candidates to serve as a director at AmRest adheres to the following principles:

1. An effort is made to ensure that the Board of Directors has a balanced composition, with a large majority of non-executive directors and an appropriate mix of proprietary and independent directors, while also endeavouring to ensure that independent directors have sufficient weight within the Board of Directors.
2. The Board of Directors endeavours to ensure that the procedures for the selection of directors favour diversity of knowledge, training, professional experience, age and gender, and are free from any implicit biases that might imply any form of discrimination. All of the foregoing is in order for the Board of Directors to have an appropriate, diverse and balanced composition overall, which i) enriches analysis and debate, ii) contributes multiple viewpoints and positions, iii) favours decision-making, iv) gives it maximum independence, and v) allows for compliance with legal requirements and good governance recommendations in relation to composition and suitability required to be met by the members of the Board of Directors. It shall also ensure that the candidates for director have sufficient available time to properly perform their duties.
3. The process for the selection of candidates to serve as directors is also based on a prior analysis of the skills required by the Board of Directors. Such analysis is conducted by the Company's Board of Directors, with the advice and with the required report or proposal, if applicable, of the Appointments, Remuneration and Corporate Governance Committee.
4. In the case of re-election or ratification, the report or proposal of the Appointments, Remuneration and Corporate Governance Committee contains an evaluation of the work and effective dedication to the position for the most recent period of time during which the proposed director has been in that position, as well as the director's ability to continue to perform satisfactorily.
5. The required report or proposal of the Appointments, Remuneration and Corporate Governance Committee is published upon the call to the General Shareholders' Meeting at which the appointment, ratification or re-election of each director is submitted.

Furthermore, the Board of Directors and the Appointments, Remuneration and Corporate Governance Committee ensure, within the scope of their respective powers, that the candidates chosen for the position of director are persons of recognized probity, competence and experience, who are willing to devote the time and effort required for the performance of their duties.

Accordingly, all the candidates for the position of director shall be professionals of integrity, whose conduct and professional career is in line with the principles set out in the Code of Business Conduct and with the criteria and values of the AmRest Group.

Candidates for directors shall be considered in particular if they have training and professional experience in different fields of activity, especially in economic-financial matters, consumer knowledge, ESG knowledge, marketing, technology, accounting, auditing and risk management -both financial and non-financial-.

Likewise, it should be noted that the same criteria and principles that the Company applies in the process of selection and appointment of the members of the Board of Directors are applied in the appointment of the directors that are part of the different committees of the Board of Directors of the Company.

The Appointments, Remuneration and Corporate Governance Committee verifies compliance with the Diversity Policy in relation to the Board of Directors and the Selection of Directors on an annual basis, and information thereon is included in the Annual Corporate Governance Report and in such other documents as are deemed appropriate.

As of December 31, 2023, the composition of the Board complies with the objectives contemplated in the applicable regulations and recommendations, in its Regulations and in the Diversity Policy in relation to the Board of Directors and the Selection of Directors, highlighting that there is an adequate balance between the different categories of directors, with an ample majority of non-executive directors (85.71%) and independent directors (57.14%); with a percentage of gender diversity in line with best practices (women represent 42.86% of the directors); and with a wide diversity of skills, knowledge and experience, both national and international. In conclusion, the Board, as a whole, has an adequate and diverse composition and a deep knowledge of the environment, strategy, activities, business and risks of the Company and its Group, resulting in a balanced composition adjusted to the needs of the corporate bodies, and thus contributing to ensure the proper performance of its functions.

AmRest is firmly convinced that diversity in all its facets and at all levels, as well as the fact that its members have different points of view and positions, is an essential factor in ensuring the competitiveness of the Company and an important element favouring a critical attitude.

C.1.6 Describe the measures, if any, agreed upon by the nomination committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile among potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Explanation of measures

As already mentioned, Board members are selected and appointed based on the Company's needs and the skills required by the Board of Directors itself. Thus, the Board of Directors and the Appointments, Remuneration and Corporate Governance Committee seek candidates who bring a wealth of diverse knowledge, abilities, experience and profiles to the Company, the search being based, essentially, on the ability and professional merits of the candidates and on their showing conduct and a track record aligned with AmRest's values. Any male or female who meets these requirements can be included in the selection process.

Specifically, with regard to gender diversity, the Diversity Policy in relation to the Board of Directors and the Selection of Directors establishes that the Board of Directors, as far as possible and in the best interest of the Company, promotes the objective of the presence of female directors, as well as measures that encourage the Company to have a balanced representation at senior management level, taking into account the recommendations of good governance in force at any given time, and without prejudice to the essential criteria of merit and ability that must govern all selection processes of the Company.

As of December 31, 2023, the percentage of women on the Board of Directors is 42.86%, with a balanced presence of women and men.

If in spite of any measures adopted there are few or no female directors or senior managers, explain the reasons for this:

Explanation of reasons

On the other hand, as regards the number of women in senior management, in recent years there has been a significant restructuring in the composition of the Company's senior management, thus affecting gender diversity. Due to the low turnover in senior management following this restructuring, the number of female senior managers has not increased during the year 2023.

In this context, one of the Company's objectives is to continue working to ensure that future selection processes to be carried out as vacancies arise continue to favour gender diversity.

C.1.7 Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

In accordance with the provisions of the applicable regulations and policies, in 2023, the Appointments, Remuneration and Corporate Governance Committee reported favourably on the proposal submitted by the Board of Directors to the Ordinary General Shareholders' Meeting regarding the appointment of Ms. Begoña Orgambide García as proprietary director, having verified, in order to proceed with said appointment, compliance with the Diversity Policy in relation to the Board of Directors and Selection of Directors in terms of the objective of favouring diversity of knowledge, training and professional experience, age and gender.

In relation to said report, the Committee evaluated and weighed the training, competence, professional profile and suitability of the proposed candidate, as well as her experience and knowledge in diverse sectors and matters relevant to the Company, and her capacity to adequately dedicate herself to the performance of the position and to effectively contribute to the Company's governing bodies being able to perform their functions with the highest standards of quality and efficiency.

C.1.8 If applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:

Name or company name of shareholder	Reason
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Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests were not granted:

Yes No

C.1.9 Indicate the powers, if any, delegated by the Board of Directors, including those relating to the option of issuing or re-purchasing shares, to directors or board committees:

Name or company name of director or committee	Brief description
Executive Committee	The Executive Committee has been delegated all of the Board's faculties, aside from those which may not be delegated according to the law, the Articles of Association and the Board of Directors Regulation.
Mr. José Parés Gutiérrez	The Executive Chairman has been delegated all of the Board's faculties, aside from those which may not be delegated according to the law, the Articles of Association and the Board of Directors Regulation. The Board of Directors delegated to Mr. José Parés Gutiérrez all the powers inherent to the position of Executive Chairman at the time of his appointment, in November 2020, with effects from 1 January 2021.

C.1.10 Identify any members of the Board who are also directors, representatives of directors or managers in other companies forming part of the listed company's group:

Name or company name of director	Company name of the group entity	Position	Does the director have executive powers?
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C.1.11 List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Company name of the listed or non-listed entity	Position
Mr. José Parés Gutiérrez	Finaccess Capital, S.A. de C.V.	Sole Director
Mr. José Parés Gutiérrez	Grupo Far-Luca, S.A. de C.V.	Director
Mr. José Parés Gutiérrez	Grupo Finaccess, S.A.P.I. de C.V.	Director
Mr. José Parés Gutiérrez	Wafi, S.A. de C.V.	Sole Director
Mr. José Parés Gutiérrez	Tenedora PGB, S.A. de C.V.	Sole Director
Mr. José Parés Gutiérrez	Finaccess Capital USA, Inc.	Chairman
Mr. José Parés Gutiérrez	Fincap USA, Inc.	Manager
Mr. José Parés Gutiérrez	Grupo RBNZ México, S.A. de C.V.	Sole Director
Mr. José Parés Gutiérrez	Restaurant Brands New Zealand Limited	Chairman
Mr. José Parés Gutiérrez	GD Holdings USA Inc.	Sole Director
Mr. José Parés Gutiérrez	Destilados GD, S.A.P.I. de C.V.	Chairman
Mr. Luis Miguel Álvarez Pérez	Finaccess Filantropía, A.C.	Chairman
Mr. Luis Miguel Álvarez Pérez	Finaccess Social, S.A. de C.V.	Director

Mr. Luis Miguel Álvarez Pérez	Grupo Finaccess, S.A.P.I. de C.V.	Director
Mr. Luis Miguel Álvarez Pérez	Cristel House Mexico, A.C.	Director
Mr. Luis Miguel Álvarez Pérez	Gestión de Proyectos Sociales, A.C.	Director
Mr. Luis Miguel Álvarez Pérez	Compitalia, S.A. de C.V.	CEO
Mr. Luis Miguel Álvarez Pérez	Restaurant Brands New Zealand Limited	Director
Mr. Luis Miguel Álvarez Pérez	Rancho La Escandalera, S.A. de C.V.	Sole Director
Mr. Luis Miguel Álvarez Pérez	Destilados GD, S.A.P.I. de C.V.	Director
Mr. Luis Miguel Álvarez Pérez	Global Beverage Team, LLC	Director
Mr. Luis Miguel Álvarez Pérez	Sueños y Conceptos Inmobiliarios, S.A. de C.V.	Director Secretary
Mr. Luis Miguel Álvarez Pérez	Fornix, S.A. de C.V.	Chairman
Mr. Luis Miguel Álvarez Pérez	Cima Everest, S.A. de C.V.	Chairman
Mr. Luis Miguel Álvarez Pérez	Grupo Aradam, S.A.P.I. de C.V.	Director
Mr. Luis Miguel Álvarez Pérez	LI América S.A.P.I.	Chairman
Mr. Emilio Fullaondo Botella	Restaurant Brands New Zealand Limited	Director
Ms. Romana Sadurska	Aspen Institute España	Patron
Mr. Pablo Castilla Reparaz	PLA Litigation Funding, S.A.	Director
Mr. Pablo Castilla Reparaz	Fundación Dáoris	Patron Secretary
Ms. Mónica Cueva Díaz	Banco Santander Río Argentina	Director
Ms. Begoña Orgambide García	Inmobiliaria Colonial, SOCIMI, S.A.	Director
Ms. Begoña Orgambide García	FCapital Dutch, S.L.	Director
Ms. Begoña Orgambide García	Finaccess Restauración, S.L.	Director
Ms. Begoña Orgambide García	Finaccess Inmobiliaria, S.L.	Director
Ms. Begoña Orgambide García	Finaccess Capital Inversores, S.L.	Director
Ms. Begoña Orgambide García	Atrides	Director

Remarks

Listed below are the positions indicated in the table above that are remunerated:

Mr. José Parés Gutiérrez: Chairman of Restaurant Brands New Zealand Limited; Chairman of Finaccess Capital USA, Inc.

Mr. Luis Miguel Álvarez Pérez: Director of Restaurant Brands New Zealand Limited; Director of Grupo Finaccess, S.A.P.I. de C.V.; CEO of Compitalia, S.A. de C.V.

Mr. Emilio Fullaondo Botella: Director of Restaurant Brands New Zealand Limited

Ms. Mónica Cueva Díaz: Director of Banco Santander Río Argentina

Mr. Pablo Castilla Reparaz: Director of PLA Litigation Funding, S.A.

Ms. Begoña Orgambide García: Director of Inmobiliaria Colonial, SOCIMI, S.A.

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table

Identity of the director or representative	Other paid activities
Mr. Luis Miguel Álvarez Pérez	Member of the Investment Committee of Grupo Educación, S.A. de C.V.

C.1.12 Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes X No

Explanation of the rules and identification of the document where this is regulated
<p>Pursuant to Article 23 of the AmRest Board of Directors Regulations and Article 2 of the Diversity Policy in relation to the Board of Directors and the Selection of Directors, directors shall not form part of more than four other listed companies' boards of directors. In this regard, all of the companies' boards of directors belonging to the same group will be considered to have one single mandate as well as those holding board memberships as proprietary directors proposed by a company of the same group even if the stock held in the company, or the level of control, may not qualify that company to be considered as part of the group.</p> <p>Exceptionally, and provided there is just cause, the Board of Directors may exempt directors from this prohibition. In addition, directors shall inform to the Appointments, Remuneration and Corporate Governance Committee of any material changes to their professional situation and any that may affect the nature or condition by virtue of which they have been appointed as a director.</p>

C.1.13 Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	826
Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	0
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	0
Pension rights accumulated by former directors (thousands of euros)	0

C.1.14 Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

Name or company name	Position(s)
Mr. Luis Comas Jiménez	Chief Executive Officer
Mr. Ismael Sánchez Moreno	Chief People Officer
Mr. Daniel del Río Benítez	Chief Operations Officer
Mr. Eduardo Zamarripa Escamilla	Chief Financial Officer
Mr. Santiago Gallo Pérez	Chief Marketing Officer
Mr. Robert Žuk	Chief Information Officer
Mr. Ramanurup Sen	Food Services President
Mr. Mauricio Gárate Meza	General Counsel
Mr. Jacek Niewiadomski	Chief Internal Audit and Control Officer

Number of women in senior management	0
Percentage of total senior management	0,00%
Total remuneration of senior management (thousands of euros)	3,674

C.1.15 Indicate whether the Board regulations were amended during the year:

Yes No

Description of amendment(s)

The Board of Directors, at its meeting held on March 30, 2023, and at the proposal of the Appointments, Remuneration and Corporate Governance Committee (which, as provided in article 4 of the Regulations of the Board of Directors, prepared the respective Supporting Report), approved the partial amendment of the Regulations of the Board of Directors of AmRest Holdings, SE.

The aforementioned amendment consisted basically of: (i) including the figure of Honorary Chairman, an honorary position that may be approved by the Board of Directors in favour of someone who, having been a director, has ceased to belong to the Board of Directors and who, because of his merits and extraordinary dedication to the Company, deserves to attain such category, in the opinion of the Board of Directors; and (ii) modifying the regulation of the prohibition of competition applicable to directors, in accordance with the proposed amendment included in this same matter in the Company's Bylaws, amendment that was approved by the General Shareholders' Meeting of May 11, 2023.

Likewise, notice of the aforementioned amendment of the Regulations of the Board of Directors was given to the Spanish National Securities Exchange Commission, and the amendment was registered with the Madrid Commercial Registry on May 22, 2023, registration number 48; it was also made available to the shareholders on the Company's website. Such amendment also was reported at the General Shareholders' Meeting held on May 11, 2023.

C.1.16 Specify the procedures for selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

Selection and Appointment

AmRest's Bylaws provide that the Board of Directors shall consist of a minimum of five and a maximum of fifteen members, who shall be appointed by the shareholders at the General Meeting.

Directors will exercise their office for a four-year term, and may be re-appointed for one or more additional periods of the same maximum duration. Once the period has expired, the appointment will be terminated when the next General Shareholders' Meeting is held, or when the legal period for holding the Meeting that must approve the previous year's annual accounts has elapsed.

If a vacancy arises during the term of appointment of the Directors, the Board may appoint a person by co-optation to fill that vacancy up to the next General Shareholders' Meeting. Directors appointed by co-optation may be ratified in their position at the first General Shareholders' Meeting held after their appointment. If the vacancy arises after a General Shareholders' Meeting is called but before it is held, the Board of Directors may appoint a director to perform the corresponding duties until the next General Shareholders' Meeting is held.

Otherwise, and in any event, the proposals for the appointment of directors must comply with the provisions of the Bylaws and the Board of Directors Regulations.

In this regard, and in accordance with the responsibilities assigned to the Appointments, Remuneration and Corporate Governance Committee, this Committee must evaluate the skills, knowledge and experience required on the Board of Directors, defining the functions and competencies required of the candidates who must fill each vacancy, and evaluating the specific amount of time and dedication that will allow them to perform their duties effectively.

Similarly, Appointments, Remuneration and Corporate Governance Committee must submit to the Board of Directors the proposals for the appointment of independent directors, whether for their appointment on an interim basis or for their submission to a decision by the shareholders at the General Shareholders' Meeting. Likewise, it must report on the proposals for the appointment of the remaining directors of the Company, whether for their appointment on an interim basis or for their submission to a decision by the shareholders at the General Shareholders' Meeting.

The category of each director shall be explained by the Board of Directors at the General Shareholders' Meeting at which the shareholders must make or ratify their appointment. Furthermore, such category shall be reviewed annually by the Board, after verification by the Appointments, Remuneration and Corporate Governance Committee, reporting thereon in the Annual Corporate Governance Report.

The Board of Directors and the Appointments, Remuneration and Corporate Governance Committee shall ensure, within the scope of their respective powers, that the candidates proposed for the position of director are persons of recognized probity, competence and experience, who are willing to devote the time and effort required for the performance of their duties.

Likewise, the Board of Directors and the Appointments, Remuneration and Corporate Governance Committee shall endeavour, in accordance with the Diversity Policy in relation to the Board of Directors and the Selection of Directors, the applicable regulations and the recommendations of the Good Governance Code of the National Securities Market Commission in force at any given time, that the procedures for the selection of its members favour diversity of knowledge, professional training and experience, age and gender on the Board of Directors, avoiding any type of implicit bias that may imply any discrimination, particularly on the account of gender, disability or any other personal condition.

Re-election

The Company's directors may be re-elected one or more times for periods of the same length as that of the initial period.

In the same way as proposals for appointments, proposals for the re-election of directors must be preceded by the corresponding report of the Appointments, Remuneration and Corporate Governance Committee, and, in the case of independent directors, by the corresponding proposal.

In any case, and in the event of the re-election or ratification of Directors at the General Meeting, the report of the Appointments, Remuneration and Corporate Governance Committee or, in the case of independent directors, the proposal of said committee, shall contain an assessment of the work and effective dedication to the position during the last period of time in which it was held by the proposed director, in addition to compliance with the Company's corporate governance rules.

Cessation or Removal

Directors will be terminated from their position when: so decided by the General Shareholders' Meeting, they notify the Company of their resignation and at the expiration of the period for which they were appointed. The effective date of termination in this last case shall be the date of the first General Shareholders' Meeting.

The Board will not propose the removal of any independent director before the expiry of their tenure as mandated by the Articles of Association, except when there is just cause, as determined by the Board after a report from the Appointments, Remuneration and Corporate Governance Committee. In particular, just cause will be presumed to exist when: directors take up new posts or responsibilities that prevent them from allocating sufficient time to their work as a Board member, are in breach of their fiduciary duties, or fall under one of the disqualifying grounds for classification as independent established in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the Company's capital structure, provided the changes to the structure of the Board of Directors promotes the proportionality criterion set out in the good governance recommendations adopted by the Company.

When a director ceases to hold office before the end of his or her term, whether by resignation or by resolution of the General Meeting, the director must adequately explain in a letter which will be sent to all members of the Board of Directors the reasons for leaving office or, in the case of non-executive directors, the director's views as to the grounds for removal by the shareholders acting at the General Meeting.

In addition, to the extent material to investors, the Company shall as soon as possible make public the cessation in office, including sufficient information as to the reasons or circumstances stated by the director.

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

Description of amendment(s)

Once a year, all of the Company's directors evaluate the performance of the Board of Directors of AmRest Holdings, SE and of its committees.

In relation to the assessment corresponding to the financial year 2022, the Appointments, Remuneration and Corporate Governance Committee, at its meeting held on August 28, 2023, reviewed and analysed the results of the assessment of said financial year, carried out by the Company's directors regarding the operation of the Board of Directors and its committees. In general terms, it was concluded that the directors had expressed a high degree of satisfaction with the organization and activities of the aforementioned governing bodies, considering them to be optimal and suitable as a whole.

However, as a result of this assessment, and in order to continue improving the functioning of the Company's corporate governance system, certain areas for optimization were identified, in view of which, and after a detailed examination and analysis of the results achieved, the Board of Directors, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, established an Action Plan for the implementation of certain suggestions and recommendations, related, among others, to continue working on the continuous improvement of the documentation and information sent to the Board of Directors, with the agenda and with the matters and issues to be discussed at the meetings of the Board and its committees; all with, a view to optimizing as much as possible the organization, operation and activities of the Company's governing and management bodies.

Describe the evaluation process and the areas evaluated by the Board of Directors with or without the help of an external advisor, regarding the functioning and composition of the Board and its committees and any other area or aspect that has been evaluated.

Description of the evaluation process and areas evaluated

As already indicated, once a year, all of the Company's directors evaluate the performance of the Board of Directors and of its committees. The assessment for the financial year 2020 was carried out with the assistance of the external consultant Ernst & Young, S.L. (EY), and the assessment for the 2021 and 2022 financial year has been carried out internally by the Company, without the support of an external advisor.

Subsequently, the Appointments, Remuneration and Corporate Governance Committee reviews and analyses the results of the assessment carried out by the directors, identifying those areas that could be improved. After a detailed review and analysis of the results achieved, the Appointments, Remuneration and Corporate Governance Committee proposes to the Board of Directors the implementation of the suggestions and recommendations deemed appropriate.

Specifically, and with respect to financial year 2022, in July 2023, a questionnaire was made available to all the directors in order to carry out the assessment process for that year.

The questionnaire contained a wide range of questions grouped under the following headings:

- The Board of Directors and the committees of the Board of Directors: Composition, Function and Powers.
- Directors: Performance and contribution, expressly including the adequacy of the performance and contribution of: i) each director on the Board of Directors and on the committees of the Board of Directors, ii) the Chairman of the Board, iii) the Chairmen of the committees, and iv) the lead independent director.
- Follow-up of the Action Plan resulting from the evaluation for year 2021.
- Suggestions and comments.

As previously indicated, once the questionnaires were received and completed with the opinions and suggestions of all the directors, action plans were established on those matters that were identified as susceptible to improvement.

The Board of Directors unanimously approved the improvement proposals made by the Appointments, Remuneration and Corporate Governance Committee in order to continue optimizing the functioning of the Company's governing bodies.

C.1.18 Provide details, for years in which the evaluation was carried out with the help of an external advisor, of the business relationships that the external advisor or company in its group maintains with the company or any company in its group.

In 2023 (and with respect to year 2022), the assessment of the Board of Directors was carried out internally by the Company, without the support of an external advisor.

C.1.19 Indicate the cases in which directors are obliged to resign.

Pursuant to Article 25 of the Articles of Association and Article 11 of the Board of Directors Regulation, the directors shall make their position available to the Board and execute, where deemed appropriate, the relevant resignation in the following cases:

- (a) When they cease to hold the executive positions to which their appointment as director was associated.
- (b) When they are involved in any of the situations deemed to be incompatible or prohibited according to law.
- (c) When they have committed a serious breach of their obligations as director.
- (d) When remaining on the Board of Directors may endanger the Company's interests, generate a situation of structural conflict of interest or when there are situations affecting them, whether or not related to their conduct within the Company itself, that may adversely affect the credit and reputation thereof.
- (e) When the reasons for which they were appointed disappear (for example, when proprietary directors transfer or reduce their shareholding in the company).

C.1.20 Are qualified majorities other than those established by law required for any particular kind of decision?

Yes X No

If so, describe the differences,

Article 25 bis of the Bylaws ("Prohibition of Competition") and Article 25 of the Regulations of the Board of Directors ("Conflicts of interest and non-compete obligation") establish, in addition to what has already been indicated in section B.2 of this Report, that the Directors may not provide advisory or representation services to companies competing with the Company, unless the Board of Directors, following a favourable report from the Appointments, Remuneration and Corporate Governance Committee, authorizes them to do so with the favourable vote of two thirds of the members not involved in a conflict of interest. If these requirements are not met, the authorization must be approved by the General Shareholders' Meeting.

C.1.21 Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the Board of Directors,

Yes No X

C.1.22 Indicate whether the articles of incorporation or Board regulations establish any limit as to the age of directors:

Yes No X

C.1.23 Indicate whether the articles of incorporation or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes No X

C.1.24 Indicate whether the articles of incorporation or Board regulations establish specific rules for appointing other directors as proxy to vote in Board meetings, if so the procedure for doing so and, in particular, the maximum number of proxies that a director may hold, as well as whether any limit has been established regarding the categories of director to whom votes may be delegated beyond the limits imposed by law. If so, briefly describe these rules.

Pursuant to Article 13 of the Board of Directors Regulation, directors should attend the sessions in person. Where this is not possible, they may, using any written means including email and for that session alone, delegate their representation to another director, with the appropriate instructions. A single director may hold several delegations.

This delegation will be notified to the Chairman or Secretary of the Board of Directors.

Non-executive directors may only delegate their representation to another non-executive director.

C.1.25 Indicate the number of meetings held by the Board of Directors during the year, Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of Board meetings	15
Number of Board meetings held without the chairman's presence	0

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Number of meetings	2
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Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the Executive Committee	1
Number of meetings held by the Audit and Risk Committee	8
Number of meetings held by the Appointments, Remuneration and Corporate Governance Committee	7
Number of meetings held by the Sustainability, Health and Safety Committee	6

C.1.26 Indicate the number of meetings held by the Board of Directors during the year with member attendance data.

Number of meetings in which at least 80% of directors were present in person	15
Attendance in person as a % of total votes during the year	98.10%
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	15
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	100%

C.1.27 Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

Yes X No

Identify, if applicable, the person(s) who certified the individual and consolidated financial statements of the company for issue by the Board:

Name	Position
Mr. Luis Comas Jiménez	Chief Executive Officer
Mr. Eduardo Zamarripa Escamilla	Chief Financial Officer

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the financial statements it presents to the General Shareholders' Meeting are prepared in accordance with accounting regulations.

Through the Audit and Risk Committee, the Board of Directors plays an essential role in supervising the preparation of the Company's financial information.

In this context, and in accordance with Article 20 of the Regulations of the Board of Directors and with Article 5 of the Regulations of the Audit and Risk Committee, this Committee is responsible for the following, among other, duties:

- (a) To report, through its Chair, to the General Shareholders' Meeting on questions raised by the shareholders regarding matters within its remit, and explain the audit's results and how it contributed to the integrity of the financial information and the Audit and Risk Committee's role in this process.
- (b) To oversee the effectiveness of the Company's internal control system, the internal audit, and the risk management system (both financial and non-financial) and discuss with the accounting auditor the significant weaknesses of the internal control system revealed in the course of the audit, while maintaining its independence. For such purposes, the committee may, if appropriate, submit recommendations or motions to the Board of Directors, with the relevant term for follow-up.

- (c) To oversee and assess the preparation and presentation process and the integrity of the financial and non-financial information, reviewing compliance with legal requirements, the proper determination of the scope of consolidation and the correct application of accounting standards, and submit recommendations or motions to the Board of Directors for the purposes of safeguarding the integrity of such financial information.
- (d) To ensure that the annual accounts are prepared in accordance with the legal provisions on accounting. However, in cases where the statutory auditor has included a qualification in its audit report, the Chair of the committee shall clearly explain the content and scope thereof at the General Meeting. In addition, a summary of such explanation shall be made available to the shareholders at the time of publication of the call to the General Meeting.
- (e) Ensure that the auditor meets annually with the full Board of Directors to inform the Board of Directors of the work performed and on the accounting status and the risks of the Company.

Moreover, in accordance with articles 8 and 9 of the Audit and Risk Committee Regulations, this Committee is responsible for the following, among other, duties:

- With regard to the preparation process of the regulated financial and non-financial information of the Company and its Group:
 - a) To oversee and assess the process of preparation and presentation and the clarity and integrity of the regulated financial and non-financial information relating to the Company and its Group, ensuring that the half-yearly financial reports and the quarterly management statements are drafted in accordance with the same accounting standards as the annual financial reports and to oversee the review of the interim financial statements requested from the auditor, with the scope and frequency that may be defined, as the case may be.
 - b) To review compliance with legal requirements, the proper delimitation of the scope of consolidation, and the correct application of such generally accepted accounting principles and criteria and international financial and non-financial reporting standards as may be applicable.
 - c) To submit recommendations or motions to the Board of Directors for the purposes of safeguarding the integrity of the financial and non-financial information.
 - d) To advise the Board of Directors on any significant change of accounting standard and of the significant risks on the balance sheet and off-balance sheet.
 - e) The functions relating to the process of collecting, preparing, and elaborating non-financial information shall be carried out in constant coordination with other Committees that the Board of Directors may designate from among its members with competencies in sustainability matters.
- With regard to the audit of the accounts of the Company and its Group:

To review the contents of the account audit reports and, where appropriate, of the reports on limited review of interim accounts, as well as other mandatory reports to be prepared by the auditors, prior to the issue thereof, in order to avoid qualified reports, ensuring that the Board of Directors shall present the accounts to the General Shareholders' Meeting with an unqualified audit report and without reservations. However, in cases where the auditor has included a qualification in its audit report, the Chairman of the committee shall clearly explain the Committee's view of its content and scope, being a summary of such view available to the shareholders at the time of publication of the call to the General Meeting.

C.1.29 Is the secretary of the Board also a director?

Yes No

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

Name or company name of the secretary	Representative
Mr. Eduardo Rodríguez-Rovira Rodríguez	

C.1.30 Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

With regard to the independence of the Company's external auditor, the Audit and Risk Committee, as part of its fundamental powers (Article 20 of the Board of Directors Regulations and Article 5 of the Audit and Risk Committee Regulations), has established and maintains the appropriate relationships with the external auditors to receive information on those matters that may threaten their independence, to be considered by the Committee, and any others related to the process of carrying out the audit, and, where appropriate, the authorization of services other than those prohibited in accordance with the terms set forth in the applicable law, as well as other communications set forth in audit legislation and audit regulations.

In any case, the Audit and Risk Committee annually receives the external auditor's declaration of independence with regard to the Company or entities directly or indirectly related to it, as well as information on the additional services of any kind provided and the corresponding fees received from these entities by the reported auditor, or the persons or entities related to him/her in accordance with the provisions of current regulations.

Furthermore, the Committee issues, prior to issuing the audit report of the accounts, an annual report that expresses an opinion on whether the independence of the external auditor has been compromised. This report states, in any case, the evaluation, with supporting evidence/rationale, of the provision of each and every one of the additional services referred to in the previous paragraph, taken into account individually and together, different to the statutory audit and in relation to the independence regime or the regulations governing account auditing.

In any event, the Audit and Risk Committee must preserve the independence of the external auditor in the performance of its duties, and in this regard: (i) in the event of the resignation of the external auditor, examine the circumstances giving rise to such resignation; (ii) endeavour to ensure that the compensation received by the external auditor for its work does not compromise the quality or independence thereof; (iii) ensure that the Company communicates through the CNMV any change in auditor and attaches a statement regarding any disagreements with the outgoing auditor and, if any, the substance thereof; (iv) ensure that the external auditor meets annually with the full Board of Directors to inform the Board of Directors of the work performed and on the accounting status and the risks of the Company; and (v) ensure that the Company and the external auditor applicable legal provisions regarding the provision of non-audit services, limits on the concentration of the auditor's business, and generally all other provisions regarding the independence of the auditors.

In addition, and in accordance with the Board of Directors Regulations (Article 20) and with the Audit and Risk Committee Regulations (Article 9), the Audit and Risk Committee puts forward proposals to the Board of Directors for the selection, appointment, re-election and replacement of the accounting auditor, taking responsibility for the selection process, as well as the terms and conditions of his/her contract, regularly obtaining information from the auditor on the audit plan and the execution thereof, as well as preserving his/her independence in the exercise of his/her duties.

The Committee shall refrain from proposing to the Board of Directors, and, this latter, also, shall refrain from submitting to the General Shareholders' Meeting the appointment as Company's auditor of any audit firm which is affected by any incompatibility pursuant to the laws governing financial audits, as well as of any audit firm where the fees that the Company intends to pay on all grounds are in excess of the limits set by the mentioned financial audit legislation.

Furthermore, the external auditor has direct access to the Audit and Risk Committee, participating in some of its meetings, without the presence of members of the Company's executive team when this is deemed necessary. In addition, the auditor shall hold an annual meeting with the full Board of Directors to provide an update on the work carried out and the evolution of the Company's accounting and risk situation.

Finally, and also in line with the legal requirements, contracting any service with the Company's external auditor must be approved beforehand by the Audit and Risk Committee. Furthermore, this contracting of services, other than those of the audit itself, is carried out in strict compliance with the Audit Act and European regulations. Likewise, the Company states in its Annual Report, in accordance with the legal requirements in force, how much the Company's external auditor is paid, including those fees related to services of a different nature from auditing.

Consequently, the Company has implemented, in practice, the legal provisions on this matter as indicated in the preceding paragraphs.

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

Yes No

If there were any disagreements with the outgoing auditor, explain their content:

Yes No

C.1.32 Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes No

	Company	Group Companies	Total
Amount invoiced for non-audit services (thousand euros)	75	47	122
Amount invoiced for non-audit services/Amount for audit work (in %)	40%	6%	12%

C.1.33 Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations, if so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

Yes No

C.1.34 Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	3	3

	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	50%	50%

Remarks
This calculation has been made using existing data since the Company's registered office had been relocated to Spain (year 2018).

C.1.35 Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes No

Details of the procedure
<p>The Company adopts the measures that are necessary in order for the directors to have, whenever possible and sufficiently in advance, the necessary information, which shall be drawn up and oriented specifically toward the preparation of the meetings of the Board and of its committees.</p> <p>In this regard, the Board of Directors and its committees shall draw up a calendar of the ordinary meetings to be held during the year. Such calendar may be modified by resolution of the Board itself or of the corresponding committee, or pursuant to a decision by its Chairman, in which case the modification must be disclosed to the Directors as soon as possible.</p> <p>The Board and its committees also have an Action Plan (Agenda) that contains a detailed description and the frequency of the activities to be carried out in each fiscal year, according to the powers and duties assigned to them.</p> <p>Similarly, all of the meetings of the Board and of the committee have a pre-established agenda, which is communicated at least three working days before the date on which the meeting is scheduled to be held, along with the call to the meeting. The Agenda for each meeting indicates the items regarding which the Board of Directors must make a decision or adopt a resolution.</p>

With the same goal, in general, the documentation associated with the agenda for the meetings is made available to the directors sufficiently in advance. In relation to this, the directors have a specific App from which they can easily access meeting documentation to prepare for meetings.

Likewise, and in compliance with the provisions of article 14 of the Regulations of the Board of Directors, the Chairman of the Board of Directors organizes the discussions, seeking and encouraging the active participation of all of the directors in the deliberations, safeguarding the unconstrained statement of their viewpoints. Similarly, with the assistance of the Secretary and Vice Secretary, the Chairman ensures that the directors receive beforehand sufficient information to deliberate on the items on the Agenda. He also ensures that sufficient time is devoted to the discussion of strategic issues and stimulates debate during the meetings.

To facilitate the provision of all of the information and clarifications that may be necessary regarding some of the issues to be addressed, the meetings of the Board of Directors and its committees are attended, when previously requested to do so, and only at the stage of presentation of the agenda item relating to matters within their competence, by the Company's main officers and/or the speakers deemed appropriate.

Furthermore, and in general, the Board of Directors Regulations (article 26) sets forth the directors' right to counsel and information, insofar as they shall have access to all of the Company's services and may, with the broadest powers, obtain any information and advice they may need to perform their duties. This right to information is extended to the subsidiaries, in Spain or overseas, and shall be channelled through the Chairman or Secretary of the Board of Directors. Said Chairman or Secretary will fulfil all requests from directors, by supplying the information directly, putting the directors in touch with the appropriate persons, or taking such measures as may be necessary for the requested examination.

Directors shall also be entitled to propose to the Board of Directors, by way of majority, the engagement, at the company's expense, of any legal, accounting, technical, financial, commercial or other advisors as they may consider necessary for the Company's interests in a bid to assist them in the performance of their functions when facing specific, important or complex problems relating to their duties.

The proposal shall be communicated to the Chairman through the Secretary of the Board. The Board of Directors may withhold its approval if it considers the engagement unnecessary for the performance of the commissioned duties, either in view of its cost (disproportionate to the importance of the problem and the Company's assets and revenues) or if it considers that the technical assistance requested could be adequately given by experts and officers within the company.

Furthermore, the Company shall provide the necessary support so that new directors may acquire a rapid and sufficient knowledge of the Company, as well as of its corporate governance rules, and may, for this purpose, establish training and orientation programs. Likewise, the Company shall offer training and continuous refresher programs for directors when circumstances so require.

C.1.36 Indicate whether the company has established rules obliging directors to inform the Board of any circumstances, whether or not related to their actions in the company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. If so, provide details:

Yes X No

Explain the rules

Pursuant to Article 25 of the Articles of Association and Article 11 of the Board of Directors Regulation, the directors shall make their position available to the Board and execute, where deemed appropriate, the relevant resignation, when remaining on the Board of Directors may endanger the Company's interests, generate a situation of structural conflict of interest, or when there are situations affecting them, whether or not related to their conduct within the Company itself, that may adversely affect the credit and reputation thereof.

In this regard, the directors must report to the Board of Directors any situation affecting them, whether or not related to their conduct within the Company itself, that may adversely affect the credit or reputation thereof and, in particular, of any criminal cases in which they are under investigation, as well as their procedural vicissitudes.

Having been notified or otherwise become aware of any of the circumstances mentioned in the preceding paragraph, the Board of Directors shall examine the case as soon as possible and, based on the specific circumstances, and after a report from the Appointments, Remunerations and Corporate Governance Committee, shall decide, whether or not to take any action, such as opening an internal investigation, requesting the resignation of the director or proposing his removal to the next General Shareholders' Meeting. Any such matter shall be included in the annual corporate governance report unless special circumstances justify otherwise, which circumstances must be recorded in formal minutes. Those obligations shall be without prejudice to any information that the Company must disseminate at the time that any such measures are adopted.

C.1.37 Indicate whether, apart from such special circumstances as may have arisen and been duly minuted, the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

Yes No X

C.1.38 Detail any material agreements entered into by the company that come into force, are modified or are terminated in the event of a change in control of the company following a public takeover bid, and their effects.

A change of control clause is included in the agreements concerning the issue of Schuldscheindarlehen ("SSD"), signed in 2017.

C.1.39 Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries	0
Type of beneficiary	Description of agreement
Executives and employees	No executives or employees of the Company have in their agreements indemnity or golden parachutes clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

	Board of Directors	General Shareholders' Meeting	
		YES	NO
Body authorising the clauses			
Are these clauses notified to the General Shareholders' Meeting?			X

C.2 COMMITTEES OF THE BOARD OF DIRECTORS

C.2.1 Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them:

EXECUTIVE COMMITTEE

Name	Position	Current category
Mr. José Parés Gutiérrez	Chairman	Executive
Mr. Luis Miguel Álvarez Pérez	Member	Proprietary
Mr. Pablo Castilla Reparaz	Member	Independent
% of executive directors		33.33%
% of proprietary directors		33.33%
% of independent directors		33.33%
% of other external directors		0.00%

Explain the functions delegated or assigned to this committee, other than those that have already been described in Section C.1.9. and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Board of Directors has delegated its authority, except for those that by the Law, the Articles of Association and the Board of Directors Regulations of AmRest Holdings, SE cannot be delegated, to an Executive Committee.

In accordance with the provisions of article 30 of the Articles of Association, article 19 of the Company's Board of Directors Regulations governs the Executive Committee in the following terms:

The Executive Committee shall consist of a minimum of three and a maximum of five directors. At least two of them shall be non-executive directors, at least one of whom shall be independent.

At least two-thirds of the Board members currently in office must vote in favour to appoint members of the Executive Committee. The Chairman and Secretary of the Board of Directors shall be the Chairman and Secretary, respectively, of the Executive Committee. The Secretary may be assisted by the Vice Secretary.

The members will step down from the Executive Committee when they retire as directors or whenever else so resolved by the Board of Directors. The Board of Directors shall promptly fill any vacancies.

The Executive Committee shall meet as and when called by the Chairman. The Executive Committee meetings shall be quorate when attended, in person or by proxy, by one half plus one of the members. The secretary shall record the resolutions adopted in the meeting minutes, a copy of which shall be made available to the Board members.

The Executive Committee shall inform the Board of Directors of the important matters and decisions adopted at its meetings.

AUDIT AND RISK COMMITTEE

Name	Position	Current category
Ms. Mónica Cueva Díaz	Chairman	Independent
Mr. Pablo Castilla Reparaz	Member	Independent
Mr. Emilio Fullaondo Botella	Member	Independent
% of executive directors		0.00%
% of proprietary directors		0.00%
% of independent directors		100%
% of other external directors		0.00%

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Audit and Risk Committee is governed by the provisions of article 20 of the Board of Directors Regulations and in the Regulations of the Audit and Risk Committee itself, approved by the Company's Board of Directors in order to comply with the recommendations set forth in Technical Guide 3/2017 of the Spanish National Securities Market Commission ("CNMV") regarding Audit Committees of Public Interest Entities.

Composition.

The Audit and Risk Committee will be made up of a minimum of three and a maximum of five directors.

All of the Audit and Risk Committee members will be appointed and, if necessary, replaced, by the Board of Directors and shall be non-executive directors, the majority of whom, at least, must be independent directors. The members of the Committee as a whole, and particularly its Chair, shall be appointed taking into account their knowledge and experience in matters of accounting, auditing and management of both financial and non-financial risks. The Audit Committee members, as a group, must have the relevant know-how regarding the industry of the Company.

The Committee shall appoint the Chair out of its members. The Chair must be an independent director. The Chair of the Audit and Risk Committee will exercise his/her office for four years, and may not be re-elected until at least one year after his/her removal has elapsed.

The Committee also has a Secretary and a Vice-Secretary.

Responsibilities.

The Audit and Risk Committee shall be responsible, in any case, without prejudice to any other duties that may be assigned to it from time to time by the Board of Directors and by the applicable legislation:

- (a) To report, through its Chair, to the General Shareholders' Meeting on questions raised by the shareholders regarding matters within its remit, and explain the audit's results and how it contributed to the integrity of the financial information and the Audit and Risk Committee's role in this process.
- (b) To oversee the effectiveness of the Company's internal control system, the internal audit, and the risk management system (both financial and non-financial) and discuss with the accounting auditor the significant weaknesses of the internal control system revealed in the course of the audit, while maintaining its independence. For such purposes, the committee may, if appropriate, submit recommendations or motions to the Board of Directors, with the relevant term for follow-up.
- (c) To oversee and assess the preparation and presentation process and the integrity of the financial and non-financial information, reviewing compliance with legal requirements, the proper determination of the scope of consolidation and the correct application of accounting standards, and submit recommendations or motions to the Board of Directors for the purposes of safeguarding the integrity of such financial information.
- (d) To ensure that the annual accounts are prepared by the Board of Directors in accordance with the legal provisions on accounting. However, in cases where the statutory auditor has included a qualification in its audit report, the Chair of the committee shall clearly explain the content and scope thereof at the General Meeting. In addition, a summary of such explanation shall be made available to the shareholders at the time of publication of the call to the General Meeting.
- (e) To submit to the Board of Directors motions regarding the recruitment, appointment, re-election and replacement of the accounting auditor, taking charge of the recruitment process, as well as the terms and conditions of the agreement to be executed with him/her, the scope of his/her professional mandate, the renewal or not of their mandate and where appropriate, and regularly gather information about the audit plan and its implementation, while preserving its independence in the performance of its duties.
- (f) To liaise with the auditor to receive information on: matters that could represent a threat to its independence; any matter related to the implementation of the audit process; and, where appropriate, the authorisation of any services, other than those forbidden under the terms of the applicable audit regulations, and other communications envisaged by these regulations.

In any event, the Audit and Risk Committee must receive, annually from the accounting auditor: a declaration of its independence regarding the entity or those entities that it has direct or indirect links to; information on any additional services rendered of any kind and the relevant fees received by the auditor or persons, natural or legal, related to the auditor, from the above mentioned entities, pursuant to the provisions of the prevailing audit regulations.

(g) Regarding the auditor, the Audit and Risk Committee shall also be responsible for the following duties:

- In the event of the resignation of the auditor, examine the circumstances giving rise to such resignation.
- Ensure that the compensation received by the auditor for its work does not compromise the quality or independence thereof.
- Oversee that the Company communicates through the CNMV any change in auditor and attaches a statement regarding any disagreements with the outgoing auditor and, if any, the substance thereof.
- Ensure that the auditor meets annually with the full Board of Directors to inform the Board of Directors of the work performed and on the accounting status and the risks of the Company.
- Ensure that the Company and the auditor applicable legal provisions regarding the provision of non-audit services, limits on the concentration of the auditor's business, and generally all other provisions regarding the independence of the auditors.

(h) To issue, annually prior to the issue of the audit report, a report expressing an opinion on whether the independence of the accounting auditor has been jeopardised. Such report must include a reasoned assessment of the provision of each and every additional service referred to in the foregoing paragraph f (other than the legal audit), individually and as a whole, and in relation to the independence system or the audit regulations.

(i) To report on related-party transactions that must be approved by the shareholders acting at a General Shareholders' Meeting or by the Board of Directors and to supervise the internal process established by the Company for those transactions for which approval has been delegated by the Board of Directors.

(j) To advise the Company's Board of Directors, in advance, of all of the topics covered by law, the Statute and these Regulations, and namely, of:

- The financial information and the directors' report that the Company must disclose on a regular basis;
- The creation or acquisition of interests in special purpose vehicles or entities resident in countries or territories considered to be tax havens; and
- The structural modifications and corporate transactions that the Company plans to carry out, analysing and reporting to the Board of Directors on their financial terms, accounting impact and in particular, if applicable, on the proposed exchange ratio.

(k) Ensure the independence of the internal audit function; propose the selection, appointment and removal of the head of the internal audit service; propose the service's budget; approve or make a proposal for approval to the board of the priorities and annual work programme of the internal audit unit, ensuring that it focuses primarily on the main risks the company is exposed to (including reputational risk); receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.

(l) Establish and supervise the mechanisms that allow employees and other persons related to the Company, such as directors, shareholders, suppliers, contractors or subcontractors to report, confidentially and, if deemed appropriate, anonymously, any irregularities of potential significance, financial, accounting or those of any other nature, that are noticed within the Company, respecting in all cases the personal data protection regulations and the fundamental rights of the parties involved.

(m) Ensure in general that the internal control policies and systems established are applied effectively in practice.

In particular, regarding the Company's risk control and management policy, the Audit and Risk Committee is responsible for supervising that it identifies or determines, at least:

- The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks, and risks relating to corruption), with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.
- A risk control and management model based on different levels.
- The level of risk that the company considers acceptable.
- The measures in place to mitigate the impact of identified risk events should they occur.
- The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance sheet risks.

(n) Oversee the risk control and management unit, which shall perform the following responsibilities:

- Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.
- Participate actively in the preparation of risk strategies and in key decisions about their management.
- Ensure that the risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the Board of Directors.

Operation.

The Audit and Risk Committee must meet at least four times a year and can meet as many times as it is called by its own resolutions or by its Chair. The Chair is obliged to attend the Audit Committee's meetings and to collaborate and give access to the information that any executive or the employees of the Company may have. The Audit Committee can require the accounting auditor to attend its meetings. One of the Audit Committee's meetings must be held to prepare the financial information that the Board of Directors has to approve and include within the public annual documentation.

The Audit and Risk Committee shall be validly quorate when the majority of its members, present or represented, attend. The resolutions shall be adopted by the absolute majority of the attending members, present or represented.

The Audit and Risk Committee may seek the advice of external experts up to the amount approved by the Board of Directors (and in excess with the authorization of the Board of Directors).

Most important activities during the fiscal year 2023.

The primary activities and actions performed by the Audit and Risk Committee during fiscal year 2023 have been associated with the powers and functions of such Committee, either by legal requirements or by internal regulations of AmRest Holdings, SE.

The Annual Report on the Operation of the Audit and Risk Committee for 2023 – which will be available to shareholders on the AmRest website – details the key activities performed by the Committee during such period, including the following:

- In the financial and non-financial area: i) review of the Company's annual financial information (Annual Accounts and Directors Reports, including non-financial information report) for 2022 and of the AmRest Group's quarterly and half-yearly 2023 periodic financial information, prior to their formulation by the Board of Directors; ii) financial accounting aspects of corporate operations; iii) review of specific presentations on financial and fiscal aspects; and iv) review of the Group's level of leverage, being promptly informed of the debt refinancing process; of the signing, on December 11, 2023, of the financing agreement for the amount of 800,000,000 euros; and of the cancellation of the existing debt following the disposal of the entire Tranche A of this agreement.

- Regarding the external auditor: i) monitoring of actions and services provided by PwC; ii) a review of the audit work conducted by the external auditor with regard to the above-mentioned financial information; iii) approval of the fee proposal for PwC for financial year 2022; and iv) analysis of the results obtained in the evaluation process of the external auditor and how the external auditor has contributed to the quality of the audit and the integrity of the financial information.
- Regarding audit and internal control: i) review and follow-up of the work performed by the internal audit and internal control area; and ii) follow-up of the project to review and update the company's risk map, as well as the implementation process of the Global Risk Management Policy, Global Compliance Policy and Business Continuity Management Policy to manage the Group's risks.
- Regarding compliance: review and follow-up of the activities carried out by the compliance area, including cybersecurity and whistleblowing.
- Other items of interest: i) the 2022 report of the Audit and Risk Committee on related-party transactions on the independence of the external auditor; ii) quarterly report and analysis of the Company's treasury stock balance and the transactions executed using its own shares; iii) monitoring of the work carried out to improve the consolidation and reporting systems for better control of information and more efficient preparation to enhance the performance of operations; iv) detailed analysis of the functions of the Committee for a more efficient distribution and assignment of the competencies assigned to each of the Committees, and v) preparation of the Annual Report on the Operation of the Audit and Risk Committee.

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chairperson of this committee was appointed.

Name of directors with experience	Ms. Mónica Cueva Díaz / Mr. Emilio Fullaondo Botella / Mr. Pablo Castilla Reparaz
Date of appointment of the chairperson	August 21, 2023

APPOINTMENTS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE

Name	Position	Current category
Mr. Pablo Castilla Reparaz	Chairman	Independent
Mr. Luis Miguel Álvarez Pérez	Member	Proprietary
Mr. Emilio Fullaondo Botella	Member	Independent
Ms. Romana Sadurska	Member	Independent
% of executive directors		0.00%
% of proprietary directors		25.00%
% of independent directors		75.00%
% of other external directors		0.00%

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Appointments, Remuneration and Corporate Governance Committee is governed by the provisions of article 21 of the Board of Directors Regulations.

Composition.

The Appointments, Remuneration and Corporate Governance Committee shall be made up of no less than three and not greater than five non-executive directors, the majority of whom must be independent directors.

The Board of Directors shall endeavour to ensure that the members, and in particular the Chair, of the Appointments and Remuneration Committee have the appropriate knowledge, qualifications and expertise to discharge the duties entrusted to them.

The Appointments, Remuneration and Corporate Governance Committee shall appoint the Chair out of its members. The Chair must be an independent director.

The committee also has a Secretary.

Responsibilities.

Notwithstanding other tasks the Board of Directors and applicable legislation may entrust to it, the Appointments, Remuneration and Corporate Governance Committee shall have the following basic responsibilities:

- (a) To assess the qualifications, knowledge and experience required for the Board of Directors. For such purposes, to define the functions and qualifications required from candidates who must fill each vacancy, evaluate the exactly amount of time and dedication required for them to effectively discharge their duties, and ensure that the non-executive directors have sufficient time available for the proper performance of their duties.
- (b) Submit proposals on independent directors to be appointed by co-option to the Board of Directors for it to put for decision before the General Shareholders' Meeting, as well as the proposals for the re-election or removal of said directors.
- (c) To issue a report regarding proposals to appoint the remaining directors for their appointment by co-option or to be submitted to the General Shareholders' Meeting, as well as the proposals for their re-election or removal.
- (d) To inform on proposals for the appointment, re-election and removal of internal positions on the Company's Board of Directors.
- (e) To inform on the design of the overall organizational structure of the Group and its modification, establishing appropriate policies, systems or procedures for performance assessment and compensation.
- (f) To inform on proposals for the appointment and removal of members of senior management, the basic conditions of their contracts, their periodic performance and the corresponding decisions regarding remuneration, promotion or any other decisions related to their employment relationship; as well as those relating to any other executive that, due to their relevance, merit being assessed by the committee and the Board of Directors. For this purposes, senior management is understood to be those executives who report directly to the Board of Directors, the chief executive officer or the first executive of the Company.
- (g) To inform the Board of Directors about gender matters and, particularly, to ensure that the selection procedures for directors and executives do not implicitly bias female candidates.
- (h) To propose to the Board of Directors: (i) the remunerations policy for the directors and senior management; and (ii) the individual remuneration for the executive directors and the other conditions of their contracts, ensuring that they are followed.
- (i) To analyse, and periodically review the remuneration policy applied for executive directors and senior executives and the , including the remuneration packages with shares and their application, and ensure that their individual remuneration is proportionate to that paid to the other directors and executives of the Company.
- (j) To check the compliance with the remuneration policy established by the Company.
- (k) To review and arrange for the succession of the Chair of the Board of Directors and of the Company's Chief Executive Office and, where appropriate, to propose motions to the Board of Directors for such succession to take place in an orderly and well-planned manner, as well as ensuring that succession plans are in place for the various key functions and positions in the organization..
- (l) To inform the shareholders about the exercise of its functions, attending the General Shareholders' Meeting for this purpose.
- (m) To assist the Board of Directors in the elaboration of the directors' remuneration report and submit to the Board any other remuneration reports foreseen in these Regulations, verifying the information about the directors and senior executives' remuneration established in different corporate documents, including the annual report on directors' remuneration.
- (n) To oversee compliance with corporate governance policies and rules, as well as the Company's internal codes of conduct in force from time to time, also ensuring that the corporate culture is aligned with its purpose and values.
- (o) To evaluate and periodically review the Company's corporate governance system, so that it fulfils its mission of promoting the corporate interest and takes into account the legitimate interests of the remaining stakeholders.
- (p) To oversee and evaluate the relationship processes with the different stakeholders.

- (q) To ensure that possible conflicts of interest do not impair the independence of the external advice provided to the Committee.
- (r) To oversee application with the general policy regarding the communication of economic-financial, non-financial and corporate information as well as communication with shareholders and investors, proxy advisors and other stakeholders, monitoring the way in which the Company communicates and relates to small and medium-sized shareholders.
- (s) To oversee compliance with the Company's other policies.

Operation.

The Appointments, Remuneration and Corporate Governance Committee shall meet at least three times a year and each time the Chair deems it necessary. The Chair will call a meeting whenever a report is issued or proposals need to be adopted and, in any case, whenever it is suitable for the successful performance of its functions.

The Appointments, Remuneration and Corporate Governance Committee shall be validly quorate when the majority of its members, present or represented, attend. The resolutions shall be adopted by the absolute majority of the attending members, present or represented.

The Appointments, Remuneration and Corporate Governance Committee shall consult with the Chair of the Board of Directors, especially when dealing with matters relating to executive directors and senior management.

The Appointments, Remuneration and Corporate Governance Committee may seek the advice of external experts up to the amount approved by the Board of Directors (and in excess with the authorization of the Board of Directors).

Most important activities during the fiscal year 2023.

The primary activities and actions performed by the Appointments, Remuneration and Corporate Governance Committee during fiscal year 2023 have been associated with the powers and functions of such Committee, either by legal requirements or by internal regulations of AmRest Holdings, SE.

The Annual Report on the Operation of the Appointments, Remuneration and Corporate Governance Committee for 2023 – which will be available to shareholders on the AmRest website – details the key activities performed by the Committee during such period, including the following:

- Proposed appointments associated with the Board of Directors and its committees.
 - Regarding the proposals to be submitted to the Company's General Meeting in 2023, the Committee, at its meeting held on March 29, 2023, advised favourably on the proposed appointment of Ms. Begoña Orgambide García as a director of the Company, with the category of proprietary director, for the statutory term of four years as from the date of the General Shareholders' Meeting (May 11, 2023).
 - The Committee also advised favourably on the appointment of Mr. Carlos Fernández González as Honorary Chairman (non-director) of the Company, effective May 11, 2023.
- Verification of the Diversity Policy in relation to the Board of Directors and the Selection of Directors.
- Policy and compensation plan for the executives of the AmRest Group (in terms of fixed and variable compensation and share plans).
- Analysis and report to the Board of Directors in connection with the Corporate Governance Report and the Directors' Remuneration Report.
- 2023-2024 Board of Directors' Training Plan.
- 2022 Assessment for the Board of Directors and its committees, as well as monitoring of the Action Plan approved as a result of the 2021 assessment.
- Report on the proposed amendment of the Regulations of the Board of Directors.
- Reports on gender diversity.
- Report on the proposed amendment of the Internal Code of Conduct on matters relating to the Securities Market.
- Report on the proposed approval of the Group Policy on implementation of internal regulations.
- Preparation of the Annual Report on the Operation of the Appointments, Remuneration and Corporate Governance Committee.

SUSTAINABILITY, HEALTH AND SAFETY COMMITTEE

Name	Post	Category
Ms. Romana Sadurska	Chairman	Independent
Mr. Pablo Castilla Reparaz	Member	Independent
Ms. Mónica Cueva Díaz	Member	Independent
% of executive directors		0.00%
% of proprietary directors		0.00%
% of independent directors		100.00%
% of other external directors		0.00%

Explain the functions assigned to this committee and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Sustainability, Health and Safety Committee is governed by the provisions of article 21 bis of the Board of Directors Regulations.

Composition.

The Sustainability, Health and Safety Committee shall be made up of no less than three and not greater than five non-executive directors, the majority of whom must be independent directors.

The Board of Directors shall endeavour to ensure that the members, and in particular the Chair, of the Sustainability, Health and Safety Committee have the appropriate knowledge, qualifications and expertise to discharge the duties entrusted to them.

The Sustainability, Health and Safety Committee shall appoint the Chair out of its members. The Chair must be an independent director.

The Committee also has a Secretary and a Vice-Secretary.

Functions.

Notwithstanding other tasks the Board of Directors and applicable legislation may entrust to it, the Sustainability, Health and Safety Committee shall have the following basic responsibilities:

- (a) Regarding occupational safety, nutrition, food safety and sustainability:
- Reviewing, monitoring and recommending to the Board of Directors the respective management framework and policies.
 - Advising, reviewing, and recommending to the Board of Directors for approval strategies for achieving the Company's objectives in these areas, and assessing performance against those targets.
 - Aiming the Company's compliance with its sustainability and health policies as well as with the laws applicable to such matters, particularly in relation to the areas referred to in this item (a).
 - Aiming that the systems used to identify and manage the risks related to these areas are fit-for-purpose, being effectively implemented, regularly reviewed and continuously improved.
 - Ensuring that the Board of Directors is properly and regularly informed and updated on matters relating to the risks related to the areas referred to in this item (a).
 - Aiming that the Company is effectively structured to manage risks related to these areas, including having competent workers, adequate communication procedures and proper documentation.
 - Reviewing and recommending to the Board of Directors regarding the appropriateness of resources available for operating the health and safety management systems and programmes, in particular for the areas already indicated.
 - Reviewing and monitoring all health and safety related incidents / issues in particular those related to the areas referred to in this item (a) and the actions taken by the Board of Directors to prevent recurrence.

- (b) To oversee and evaluate the preparation and presentation process and the integrity of the non-financial information, reporting to the Audit and Risk Committee and submitting recommendations or proposals on the same.
- (c) To assist the Board of Directors in the supervision of the process of preparation and presentation of the mandatory non-financial information and to submit recommendations or proposals to the Board of Directors, aimed at safeguarding the integrity of such information.
- (d) To evaluate and periodically review the Company's environmental and social policy, in order to ensure that it fulfils its mission of promoting the corporate interest and takes into account, as appropriate, the legitimate interests of the remaining stakeholders.
- (e) To oversee that the Company's practices in environmental and social matters are in line with the strategy and policy established.

Operation.

The Sustainability, Health and Safety Committee shall meet each time the Chair deems it necessary. The Chair will call a meeting whenever a report is issued or proposals need to be adopted and, in any case, whenever it is suitable for the successful performance of its functions.

The Sustainability, Health and Safety Committee shall be validly quorate when the majority of its members, present or represented, attend. The resolutions shall be adopted by the absolute majority of the attending members, present or represented.

The Sustainability, Health and Safety Committee may seek the advice of external experts up to the amount approved by the Board of Directors (and in excess with the authorization of the Board of Directors).

Most important activities during the fiscal year 2023.

The primary activities and actions performed by the Sustainability, Health and Safety Committee during fiscal year 2023 have been associated with the powers and functions of such Committee, either by legal requirements or by internal regulations of AmRest Holdings, SE.

The Annual Report on the Operation of the Sustainability, Health and Safety Committee for 2023 – which will be available to shareholders on the AmRest website – details the key activities performed by the Committee during such period, including the following:

- Monitoring of the key pillars of the Group's Sustainability Policy: Food, People and Environment.
- Overseeing of the management of food safety policy, divided into the supplier, main kitchen, logistics and restaurant pillars.
- Review of Key Performance Indicators (KPI) audits performed on suppliers and logistics.
- Overseeing the implementation of nutrition policies and related roadmaps.
- Monitoring/review the results of the waste management and environmental strategies of the restaurants of the Group.
- Review of the Group's Animal Welfare Policy and Customer Packaging Policy.
- Review of the health and safety policy at the workplace, and monitoring that all restaurants in the Group follow the safety measures to prevent accidents at work.
- Overseeing of the preparation of the Group's non-financial information.
- Analysis of the process aimed at collecting the Group's non-financial information in order to introduce the necessary improvements.
- Meeting with the external auditor PwC to supervise the audit of the non-financial information, including review of the scope and development of the audit of the Statement of Non-Financial Information corresponding to financial year 2023.

C.2.2 Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors			
	Year 2023 Number %	Year 2022 Number %	Year 2021 Number %	Year 2020 Number %
Executive Committee	0	0	0	0
Audit and Risk Committee	1 (33.33%)	1 (33.33%)	1 (33.33%)	1 (33.33%)
Appointments, Remuneration and Corporate Governance Committee	1 (25.00%)	1 (25.00%)	1 (25.00%)	1 (25.00%)
Sustainability, Health and Safety Committee	2 (66.67%)	2 (66.67%)	2 (66.67%)	2 (66.67%)

C.2.3 Indicate, where applicable, the existence of any regulations governing Board committees, where these regulations are to be found, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

The committees of AmRest's Board of Directors are regulated in the Company's Board of Directors Regulations. In addition, and in order to comply with the recommendations of the Technical Guide 3/2017 of the Spanish National Securities Market Commission on Audit Committees of Public Interest Entities, the Audit and Risk Committee is regulated in its own Regulations, approved by the Company's Board of Directors. The Board of Directors, at its meeting held on December 12 and 13, 2023, and at the proposal of the Audit and Risk Committee (which prepared the corresponding Memorandum), approved the partial amendment of the Committee's Regulations.

The aforementioned amendment consisted basically of: (i) adapting the Regulations to the current text of the Company's Bylaws and the Regulations of the Board of Directors of the Company following the amendment approved of such documents in May 2023 and December 2022, respectively; ii) consequently, and in coordination with the amendments made to the Bylaws and the Board of Directors Regulations, to adapt the Regulations to the Recommendations of the Good Governance Code that the Company already complies with at present, and to adapt their wording to that of Article 529 quaterdecies of the Spanish Capital Companies Act ("LSC"), essentially in relation to the functions of the Audit and Risk Committee (including the new regulation of related-party transactions introduced in the LSC by Law 5/2021); iii) to incorporate certain other aspects derived from Technical Guide 3/2017 on Audit Committees of Public Interest Entities; and iv) to incorporate certain technical and drafting improvements.

The Board of Directors Regulations and the Audit and Risk Committee Regulations are available for consultation on the corporate website (www.amrest.eu).

Each year, all the Committees of the Board of Directors prepare a Annual Report, containing a summary of the main activities and actions carried out during the financial year, detailing the matters examined and dealt with at the meetings held, and outlining aspects related to their duties and responsibilities, composition and performance. These reports are published on the Company's website sufficiently in advance of the Ordinary General Shareholders' Meeting.

D RELATED-PARTY AND INTRAGROUP TRANSACTIONS

D.1 Explain, where appropriate, the procedure and competent bodies relating to the approval of transactions with related and intragroup parties, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected director or shareholders. Detail the internal information and periodic control procedures established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors.

The procedure and competent bodies relating to the approval of transactions with related and intragroup parties are as established by Article 231 bis and 529 vicies and following of the Spanish Capital Companies Act.

In this regard, Article 6 the Board of Directors' Regulations includes the following non-delegable powers of the Board, among others:

The approval of related party transactions, after a report from the Audit and Risk Committee, of upon the terms set forth in Article 24 bis of these Regulations, unless approval thereof is reserved to the shareholders acting at General Shareholders' Meeting. The Board of Directors of the Company may delegate the approval of transactions between companies forming part of its Group that are executed within the scope of day-to-day management and on arms-length terms, as well as transactions concluded pursuant to contracts with standardized terms that apply generally to a large number of customers, are carried out at generally established prices or rates, and the amount of which does not exceed 0.5% of the net revenue of the Company, determined in accordance with the calculation rules provided for by law.

Likewise, and in accordance with the provisions of article 25.1(a) of the Board of Directors' Regulations, *the director must refrain from carrying out transactions with the Company, except when they are part of the Company's ordinary business, are carried out under normal market conditions and are of little significance, with these being understood to be those involving information that is not required to express a true image of the Company's property, financial situation and results, except for those transactions that are approved by the Company upon the terms set forth in the rules on related party transactions established by law, the Statute and these Regulations.*

In addition, Article 25 bis of the Board of Directors' Regulations establishes the following with regard to the regime on related-party transactions:

- 1. The Board of Directors, after a favourable report from the Audit and Risks Committee, shall approve transactions of the Company or subsidiaries thereof with Directors, with shareholders owning 10% or more of the voting rights or represented on the Company's Board of Directors, or with any other persons who should be considered related parties as provided by law, provided that they are considered related-party transactions under applicable law, and unless approval thereof is reserved to the shareholders acting at a General Shareholders' Meeting. This power may not be delegated, except in the cases and upon the terms provided by law and Article 6 of these Regulations.*
- 2. Where the Board of Directors has the power to adopt the resolution approving related-party transactions and this power has not been delegated, the affected Director, or the Director representing or connected to the affected shareholder must abstain from participating in the deliberation and voting as provided by law.*
- 3. If the Board of Directors delegates the approval of related-party transactions as provided by law and Article 6 of these Regulations, the Board of Directors shall establish in relation thereto an internal regular reporting and control procedure, in which the Audit and Risks Committee shall participate, to verify the fairness and transparency of these transactions and, where appropriate, compliance with the applicable legal standards. The approval of these transactions shall not require a prior report from the Audit and Risks Committee.*
- 4. As regards related-party transactions for which approval is reserved to the shareholders at a General Shareholders' Meeting, the proposed resolution on approval adopted by the Board of Directors must be submitted to the shareholders at the General Shareholders' Meeting along with a statement as to whether it has been approved by the Board of Directors with or without the dissenting vote of a majority of the independent Directors.*

Likewise, Article 20.4 (i) of the Board of Directors Regulations establishes, among the competencies of the Audit and Risks Committee, the following:

To report on related-party transactions that must be approved by the shareholders acting at a General Shareholders' Meeting or by the Board of Directors and to supervise the internal process established by the Company for those transactions for which approval has been delegated by the Board of Directors.

It should be noted that the Board of the Company has not delegated the approval of intragroup and related party transactions, so no specific procedure of periodic control has been established in this regard. Likewise, during financial year 2023, no related-party transactions were carried out that required authorization or, consequently, a report from the Audit and Risk Committee.

D.2 Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the shareholder or any of its subsidiaries	% Share-holding	Name or company name of the company or entity within its group	Nature of the relationship	Type of operation and other information required for its evaluation	Amount (thousand of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
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D.3 Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Nature of the operation and other information necessary for its evaluation	Amount (thousand of euros)	Approving body	Identity of the shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
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D.4 Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

Company name of the entity within the group	Brief description of the operation and other information necessary for its evaluation	Amount (thousand of euros)
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D.5 Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the operation and other information necessary for its evaluation	Amount (thousand of euros)
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D.6 Give details of the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, senior management, significant shareholders or other associated parties.

In accordance with the Company's corporate governance rules, the principles governing possible conflicts of interest that may affect directors, executives or significant shareholders are as follows:

- With respect to directors, Articles 24 and 25 of the Board of Directors Regulations establish the following:

Directors shall take the necessary measures to avoid incurring situations in which his or her own or other interests may conflict with the corporate interest and their duties towards the company. In any case, directors must inform the Board of Directors of any direct or indirect conflicts which they or related individuals may have with the Company's interests.

Likewise, as set forth in said Regulations with regard to the duty of loyalty, directors are obliged to refrain from participating in the discussion and vote on resolutions or decisions with which they or a related person -understanding as such those defined in the Capital Companies Act-, have a direct or indirect conflict of interest. Any resolutions or decisions which affect these individuals in their role as director, such as their appointment or removal from the Board and similar concepts, are excluded from the aforementioned obligation.

Also, Article 25 of the Board of Directors Regulation obliges the directors to refrain from:

- a) Carrying out transactions with the Company, except when they are part of the Company's ordinary business, are carried out under normal market conditions and are of little significance, with these being understood to be those involving information that is not required to express a true image of the Company's property, financial situation and results, except for those transactions that are approved by the Company upon the terms set forth in the rules on related party transactions established by law, the Statute and these Regulations.
- b) Using the Company's name or adducing their standing as director to have undue influence when carrying out private transactions.
- c) Making use of the corporate assets, including the Company's confidential information, for private ends.
- d) Taking advantage of the Company's business opportunities.
- e) Obtaining advantages or remuneration from third parties other than the Company or its Group, associated to the discharge of their duties, other than minor matters of mere courtesy.
- f) Carrying out activities on their own, or another's, behalf which entail effective competition, whether currently or potentially, or which, in any other way, places them in permanent conflict with the Company's interests, unless the following circumstances apply:
 - it is reasonably foreseeable that the competitive situation will not cause damage to the Company or that the foreseeable damage it may cause to the Company is outweighed by the expected benefit the Company may reasonably obtain by allowing such competitive situation;
 - that, after having received advice from an independent external consultant of recognized standing in the financial community and after hearing the shareholder or director concerned, the Appointments, Remuneration and Corporate Governance Committee issues a report assessing compliance with the requirement set forth in the above paragraph; and
 - the General Shareholders' Meeting expressly resolves to waive the prohibition of competition with the favourable vote of, at least, one-half of the share capital with voting right.

At the time of convening the General Shareholders' Meeting called to deliberate on the waiver of the competition prohibition, the Board of Directors shall make available to the shareholders the aforementioned reports of the Appointments, Remuneration and Corporate Governance Committee and of the independent external consultant and, if it deems appropriate, its own report thereon. During the General Meeting, the shareholder or director concerned shall have the right to present to the meeting the reasons supporting the request for dispensation.

The resolutions to be adopted by the General Shareholders' Meeting pursuant to the provisions of this article shall be submitted to the General Meeting under a separate item on the agenda.

If the competitive situation arises after the appointment of a director, the director concerned shall resign immediately from his office.

For the purposes of this Article:

- a person shall be deemed to be engaged for his own account in activities constituting competition with the Company when he carries on such activities directly or indirectly through controlled companies.
- a person shall be deemed to be engaged for his own account in activities which constitute competition with the Company when he has a significant shareholding or holds an executive position in a competing company or in another company concerted with the latter for the pursuit of a common policy and, in any case, when he has been appointed as a proprietary director of the Company at the request of one of those companies; and

- (i) companies belonging to the same controlling group as the Company; and (ii) companies with which AmRest Holdings SE has entered into a strategic alliance, even if they have the same, similar or complementary corporate purpose and as long as the alliance remains in force, shall not be deemed to be in competition with the Company. Those who are proprietary directors of competing companies appointed at the request of the Company or in consideration of the Company's interest in the capital of such companies shall not be deemed to be covered by the competition prohibition for this reason alone.

Directors may also not provide advisory or representation services to companies competing with the Company, unless the Board of Directors, following a favourable report from the Appointments, Remuneration and Corporate Governance Committee, authorises them to do so with the favourable vote of two thirds of the members not involved in a conflict of interest. If these requirements are not met, the authorisation must be approved by the General Shareholders' Meeting.

- With regard to significant shareholders, Article 25 bis of the Board Regulations establishes that the Board of Directors, following a favourable report from the Audit and Risk Committee, shall approve transactions that the company or its subsidiaries carry out with shareholders holding 10% or more of the voting rights or represented on the Company's Board of Directors, provided that, under current legislation, they are considered to be related-party transactions, and unless their approval corresponds to the General Shareholders' Meeting. This power cannot be delegated, except in the cases and under the terms provided by law and in Article 6 of the Company's Board of Directors' Regulations, as described in section D.1 above.

- With respect to executives, the Conflict of Interest Group Policy establishes the principles and rules to prevent and manage potential, actual or perceived conflict of interest situations regarding employees and any person or company who AmRest does business with, and how such principles and rules are to be implemented.

This policy sets out guidelines for detecting conflict of interest situations, rules on how to disclose them and establishes the responsibilities of each internal body with regard to reporting and managing conflict of interest situations.

According to the policy, all employees have an obligation to report conflicts of interest at the time such situations arise. In order to actively manage conflicts of interest situations, AmRest has introduced an annual conflict of interest declaration. This declaration is mandatory for employees in certain categories, including managers, officers, senior executives, and directors.

Conflict of interest situations involving senior executives are reported to the Chairman of the Board of Directors and the Chairman of the Audit and Risk Committee.

The Group's Risk and Compliance Department is responsible for making recommendations for the management of disclosed conflicts of interest, as well as for supervising and monitoring the implementation of mitigating measures.

The Code of Ethics and Business Conduct also governs this matter under section 2 ("Honesty, Integrity and Transparency").

Global Internal Audit and Internal Control Department identifies and reviews during their assignments any risks, including ones related to potential or existing conflicts of interest. In case of identifying such risks, this department provides recommendations, requests for action plans and later monitors and verifies action plans implementation. The audit reports, including risks, recommendations, action plans and status of action plans monitoring and verification, are communicated to the Audit and Risk Committee and the senior management.

D.7 Indicate whether the company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

Yes X No

The Company is controlled by the Finaccess Group.

Indicate whether the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries have been defined publicly and precisely:

Yes No X

Report covering the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries, and identify where these aspects have been publicly reported

No information is publicly disclosed about the respective areas of activity and/or about possible business relationships, as there are no business relationships or related activities between any of the parties.

Identify the mechanisms in place to resolve potential conflicts of interest between the parent of the listed company and the other group companies:

Mechanisms for resolving possible conflicts of interest

No specific mechanisms have been established other than those already existing in the applicable regulations in relation to resolving possible conflicts of interest between the parent of the listed company and the other group companies.

E RISK MANGEMENT AND CONTROL SYSTEMS

E.1 Explain the scope of the company's financial and non-financial risk management and control system, including tax risk.

AmRest has a Risk Management Framework implemented consistently throughout the Group, inspired by best practices and based on the Committee of Sponsoring Organizations ("COSO"), best industry external framework.

AmRest monitors, identifies, and assesses the financial and non-financial risks the Group is exposed to.

AmRest established a Global Risk Inventory, including the following 5 risk taxonomies: Operations/infrastructure, Compliance, Strategy and Planning, Governance and Reporting. Under these taxonomies, the AmRest Global Risk Inventory considers different categories of the risk.

AmRest risk management process begins with the Group's long-term and short-term objective setting, which leads to the identification of risks defined as any event which might pose a threat to the fulfilment of such objectives.

The Group's Risk Inventory is updated periodically, considering the current dynamic context in which we operate and the increasing relevance of those risks related to intangibles and of global significance, such as Sustainability (ESG) aspects, geopolitical environment, supply chain risks, inflation among others.

Risks are evaluated on a periodic basis and assessed for impact and likelihood. Each inherent risk is determined and prioritized in the annual Risk Inventory for the Group.

For risks identified as critical, the Risk Owners defines response strategies and risk monitoring plans, implementing key risk indicators (KRI). This combines strategies for risk monitoring, with the execution of control activities, which are assessed for operating effectiveness on a periodic basis.

The Global Risk and Compliance Department was established in the beginning of 2021 and reports directly to the Audit and Risk Committee. Department key responsibilities include:

- Promoting and guiding the organization in the creation of a consistent risk management culture, through an adequate communication, training and building awareness of all AmRest employees.
- Identifying, evaluating and prioritizing the most significant risks that could affect achievement of strategic objectives.
- Periodically updating the risk catalogue and the Risk Inventory.
- Overseeing the adequate functioning of the ERM System (Enterprise Risk Management), specifically regarding the identification, assessment, response and reporting to the Audit and Risk Committee over the critical risks to which the Group is exposed, including emerging risks.
- Fostering the implementation of efficient and complete risk response strategies to mitigate or reduce critical risks to which the Group is exposed within the risk appetite and tolerance levels approved.

The trends in critical risks performance and the effectiveness of the control activities are reported on a regular basis to the Risk and Compliance Committee and to the Audit and Risk Committee. When risks exceed the defined tolerance level, action plans are implemented and monitored with Risk Owners and Risk Delegates. Risk Owners actively participate in the risk strategy and in the important decisions about their assurance and control.

The Group has set up as well a Global Tax Governance Group Policy that establishes the rules and procedures on this matter and are supervised by the Tax Department and, ultimately, by the Audit and Risk Committee.

E.2 Identify the bodies within the company responsible for preparing and executing the financial and non-financial risk management and control system, including tax risk.

AmRest has defined a Risk Management governance where the Global Risk and Compliance Department is responsible for the risk management system and its operating efficiency, so that risks which may prevent the execution of the long-term objectives of the Group are identified and managed.

The Global Risk and Compliance Department is constantly analysing and reviewing risks that the Group may be exposed to. As the entire organization has the responsibility to contribute to the identification and management of risks, the Global Risk and Compliance Department also plays an important role in training and involving employees in the culture of risk management. Employees are asked to consider risk management as part of the culture to be implemented in their activities, to identify risks and actively participate in their mitigation.

The Enterprise Risk Management system is a crucial aspect of AmRest business where the roles and responsibilities are defined based on COSO framework following three lines of defence model:

- **First Line of Defence:** includes Risk Owners and Risk Delegates: This line of defence is responsible for day-to-day ownership and management of risks and controls. Risk identification includes analysis of the internal/external factors that may affect the Group, updating the risks in each area and, where appropriate, collaborate with the different areas in updating the risks. Risk Owners are responsible for identifying, assessing, and managing risks within their respective areas of responsibility and reporting the Key Risk Indicators to the Global Risk and Compliance Department.
- **Second Line of Defence:** includes the Global Risk and Compliance Department which is responsible for developing and implementing the Group's risk management framework, policies, and procedures. The Global Risk and Compliance Department also ensures the correct performance and functioning of the ERM (Enterprise Risk Management) and provides guidance and support to the Risk Owners/Risk Delegates. It also ensures that risks and controls are properly managed, regularly monitored and reported to the Risk and Compliance Committee and Risk and Audit Committee.
- **Third Line of Defence:** includes the Internal Audit and Control Department, which supervise the effectiveness of the Enterprise Risk Management system. They analyse and evaluate the Risk Management process, Internal Controls and corporate governance and provide recommendations to mitigate risks. They also focus on increasing the efficiency of business processes and the optimization of control mechanisms. This line of defence provides assurance to the Audit and Risk Committee that the efforts of the first and second lines are consistent with expectations.

The Risk and Compliance Committee oversees the appropriate functioning of the Enterprise Risk Management system and fosters the implementation of complete risk response strategies to mitigate or reduce critical risks within the approved Risk Appetite and Risk Tolerance levels approved by the Board of Directors.

The Audit and Risk Committee is responsible for overseeing the effectiveness of the Enterprise Risk Management system in the Company.

The finance team, led by the Chief Financial Officer, is responsible for the Group's tax policy and for the implementation of its tax strategy. Tax strategy is reviewed on an ongoing basis as part of the regular financial planning cycle. The Audit and Risk Committee is responsible for monitoring all significant tax matters. Audit and Risk Committee meetings are usually attended by a number of Group officers and employees including representatives from the tax, internal audit, compliance and risk and financial reporting areas, including the Chief Financial Officer.

E.3 Indicate the main financial and non-financial risks, including tax risks, as well as those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant and may affect the achievement of business objectives.

AmRest has a Global Risk Inventory, considering the following 5 risk taxonomies: Operations/infrastructure, Compliance, Strategy and Planning, Governance and Reporting. Under these taxonomies, the AmRest' Global Risk Inventory considers different categories of the risk.

- **Liquidity risk**

Liquidity risk is defined as the risk of incurring losses resulting from the inability to meet payment obligations in a timely manner when they become due or from being unable to do so at a sustainable cost. The Group is exposed to the risk to a lack of financing at the moment of the maturity of bank loans and bonds.

As of 31 December 2023, the Group has sufficient liquidity to fulfil its liabilities over the next 12 months.

The Group analyses liquidity needs with particular focus on the maturity of debt and proactively investigates various forms of financing that could be utilized as needed.

- **Dependency on the franchisor**

AmRest manages KFC, Pizza Hut, Burger King and Starbucks (in Romania, Bulgaria, Germany and Slovakia) as a franchisee, and therefore a number of factors and decisions related to the business activities conducted by AmRest and the possibility of renewing or extending the duration of the franchise agreements, depend on the conditions (including limitations or specifications) imposed by the franchisors or are subject to their consent.

Therefore, in relation to the duration of those agreements, the renewal is not automatic and AmRest cannot guarantee that after the expiry of the initial periods of duration of the franchise agreements, which are typically ten years, a given franchise agreement will be extended.

- **Dependency on cooperation with minority shareholders and Starbucks' call option**

AmRest operates Starbucks restaurants in Poland, the Czech Republic and Hungary based on partnership agreements with Starbucks Coffee International, Inc. The partnerships establishes that Starbucks Coffee International, Inc. is the minority shareholder of companies operating Starbucks stores in mentioned countries. Therefore, some decisions as part of the joint business activities are dependent on Starbucks' consent.

If AmRest fails to comply with the obligation to open and run the minimum specified number of cafés, Starbucks Coffee International, Inc. has the right to increase its share in these companies by acquiring shares from AmRest Sp. z o.o. at a price agreed between the parties based on the valuation of the companies.

- **No exclusivity rights**

International Franchise Agreements per se do not typically grant exclusivity rights to the franchisee in the relevant territories. In order to secure exclusivity rights for a certain territory, franchisees aim to have either a master franchise agreement or a development agreement with the franchisor. Currently, AmRest does not have master franchise agreements or development agreements in all territories and cannot secure that it will have exclusivity on certain territories.

- **Risks related to the consumption of food products**

Changes in consumer preferences arising from concerns over the nutritious properties of chicken, which is the main ingredient in the KFC menu, or as a result of unfavourable information being circulated by the mass media concerning the quality of the products, could pose a threat to the Group.

Furthermore, diseases caused by these (i.e. food poisoning) and damages to health as a result of eating in AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and Sushi Shop, and as a result of revealing unfavourable data prepared by the government or a given market sector concerning the products served in AmRest restaurants and restaurants of other franchisees of KFC, Pizza Hut, Burger King, Starbucks, La Tagliatella, Blue Frog and Sushi Shop, health-related issues and issues related to the functioning patterns of one or more restaurants run both by AmRest and the competition could also pose a threat to the Group.

- Food risks can result from a microbiological, chemical (formed during preparation like acrylamide e.g., burned meat, dark brown fried French fries) or physical factors.
- Risks associated with new technologies - that alter the characteristics of the food, such as genetic modification or food irradiation, may change the composition of the food, replacing an existing or traditional method of food production can also lead to a change in the levels of a hazard, such as the levels of pathogenic microorganisms.
- Risks associated with allergenic foods - can range from mild to severe gastrointestinal effects, headaches, respiratory problems or skin reactions to potentially life-threatening anaphylaxis.

- Food poisoning (e.g., by incautious storage and preparation of food, contaminated food, or water).
- Hormones or antibiotics in meat.

- **Risks related to key personnel turnover in the Group and increasing labour costs**

AmRest's success depends, to some extent, on the individual effort of selected employees and key members of management.

Excessive turnover of employees and too frequent changes in managerial positions may pose a significant risk to the stability and quality of the business activities.

- **Risk related to increase in the cost of commodities, raw material and goods**

Increases in the cost of commodities, raw materials and goods can have an adverse impact on Group's operating profit margins.

AmRest's situation is also affected by the need to ensure frequent deliveries of fresh agricultural products and foodstuffs and anticipating and responding to changes in supplies costs. Also the increased demand for certain products accompanied by limited supply may lead to difficulties in obtaining these by the Group or to relevant price increases. The product price increases may have an adverse effect on the Group's results, operations and financial standing.

- **Disruption in the supply chain**

Disruption to supply of goods, or to logistics suppliers, resulting in limited access to essential supplies.

The Group cannot rule out the risk related to delivery shortage or interruptions caused by factors such as unfavourable weather conditions, changes in legal regulations, problems with delivery infrastructure, reduction in available sources withdrawing some foodstuffs from trading, third-party breach of transport obligations, key suppliers' bankruptcy or lack of alternative sources of supply.

The shortages may have an adverse effect on the Group's results, operations and financial standing.

- **Risks related to the incorporation of new business and failed openings of new restaurants**

Opening or taking over restaurants operating in a new geographical and political area involves the risk of varying consumer preferences, a risk of insufficient knowledge of the market, the risk of legal restrictions arising from local regulations, the ability to obtain the permits required by relevant bodies, the possibility of delays in opening new restaurants, and the political risk of these countries.

- **Currency risk**

The results of AmRest are exposed to currency risk related to transactions and exchanges into currencies other than the currency in which business transactions are measured in the individual Capital Group companies. The Group adjusts its currency portfolio of debt to the geographical structure of its profile of activities.

- **Risks related to the current geopolitical situation**

The Company conducts its business in countries where political climates are uncertain. Tensions around that subject may result in a negative impact on economy, including unstable currency, interest rates, liquidity, supply chain disruptions and consumer confidence deterioration.

In 2023, the increased geopolitical risk, as a consequence of the war in Ukraine, weighed adversely on global economic conditions including the markets where the Group operates.

The conflict has triggered turmoil in the financial markets around the world, and drastically increased uncertainty about the recovery of the global economy, as reflected in the widespread deterioration of the consumer confidence indicators, which has impacted on financial and commodity markets.

Despite the fact that the conflict has remained localized, it has had broad implications for economies across the world. While Russia and Ukraine together represent a relatively small part of the world economy, they account for a large share of global energy exports, food staples and agricultural inputs.

As such, the main consequences to economies derived from the conflict are inflation, due to the increased price of energy and non-energy commodities. The Group has been closely monitoring their potential impact on Group's current and future operations. All these events and uncertainty that accompanies them may have a significant impact on the Group's operations and financial position, of which the effect is difficult to predict.

The future economic and regulatory situation may differ from the Management's expectations.

- **Risk of increased financial costs**

AmRest and its subsidiaries are exposed to a certain extent to adverse impact of interest rate fluctuations in connection with obtaining financing which bears floating interest rates and investing in assets bearing floating interest rates. The interest rates of bank loans and borrowings and issued bonds are based on a combination of fixed and floating reference rates which are updated over periods shorter than one year.

Additionally, AmRest and its subsidiaries may, as part of the interest rate hedging strategy, enter into derivative and other financial contracts, where the valuation of which is significantly affected by the level of reference rates.

- **Increases in the cost of energy and utilities**

Significant increase of energy pricing impacted cost side on most European markets.

- **Tax risk**

In the process of managing and executing strategic decisions, which may affect the tax settlements, AmRest could be exposed to tax risk. In the event of irregularities occurring in tax settlements it would increase the dispute risk in the case of a potential tax control.

- **Credit risk**

Exposure to credit risk include cash and cash equivalents and trade and other receivables. With the development of franchise business, AmRest is getting exposed more to credit risk. Therefore the quality of the franchisees portfolio is a key priority.

- **Risks of economic slowdowns**

Economic slowdown in the countries where AmRest runs its restaurants may affect the level of consumption expenditure in these markets, which in turn may affect the results of the AmRest restaurants operating in these markets.

- **Risk of system breakdowns and temporary breaks in serving customers in restaurants**

Risk of systems failures and communication network failures, as well as the potential partial or complete loss of data in connection with system breakdowns or damage or loss of key tangible fixed assets of the Group might result in temporary interruptions in serving customers in restaurants, which might have an adverse effect on the Group's financial results.

- **Risk of an inadequate security protection of our data and IT systems and lack of capabilities to respond to cybersecurity threats**

The Group's operations are supported by a wide variety of IT systems, including point-of-sale systems, electronic ordering platforms, supply-chain management systems and finance and controlling tools. Consequently, the Group is exposed to the risk of temporary operational disruption, data integrity risk and/or unauthorized access to confidential data, which may be a result of cyberattacks.

- **Global crisis and disruption**

The potential occurrence of global disasters, such as health epidemics, economic crises, energy crises, extreme weather events, or other critical events creates a risk of disruption the Group's business, industry and economies where the Group operates and could impact the Group's day to day business concerns.

Likewise, a potential adverse impact on the Group's image or brands may deteriorate its perception with the different stakeholders.

- **Adverse regulatory change or evolution**

Failure to anticipate, identify and respond to new regulation that may result in fines, litigations and/or the loss of operating licenses or other restrictions.

- **Loss of market share due to a volatile customer trends or an increase in competition**

Failure to anticipate or respond to competitors leads to a loss of market share for the Group and failure to anticipate or address consumer's preferences in the Group's products, services, or channels.

E.4 Indicate whether the entity has risk tolerance levels, including for tax risk.

The Global Risk and Compliance Department is responsible for the regular updating of AmRest Risk Inventory, incorporating the risks to which the Group is exposed in the form of a chart, in which the impact of the risk materialization, and the likelihood of the risk materialization are captured.

The objectives of the AmRest Risk Inventory are:

- Collect comprehensive and structured information about risks at AmRest Group (identification).
- Perform risk prioritization of the identified risks (assessment).
- Have an updated and integrated risk map for AmRest Group.

In line with the 3-line of defence risks management framework, both Risk Owners and Risk Delegates are accountable for risk identification and risk response strategies development. Risk identified are assessed within the process system and Risk Inventory is documented.

The Risk Inventory is communicated to the AmRest Risk and Compliance Committee and to the Audit and Risk Committee for review and overseeing adequate action plans addressing identified risks.

The AmRest Risk structure includes a 3-level risk classification system:

- The first level (main categories of risks) is divided into 5 areas:
 - Governance
 - Strategy & Planning
 - Operations & Infrastructure
 - Compliance
 - Reporting
- The second level includes risk categories.
- The third level contains specific risks.

The risks are evaluated by using the consistent parameters: impact (refers to the extent a risk event might affect the Group and measured as a % of EBITA), and likelihood (represents the probability that a given event will occur, is measured as a % materialization possibility).

The Group identifies and assesses risks that may impact the achievement of the strategy and business objectives, by monitoring key risk indicators to gauge behaviour and exposure, providing early warnings which are then combined with strategies of acceptance, reduction or mitigation measures.

The Group has further developed control activities for the risks in the processes with the aim to mitigate the exposure to the risk materialization, either reducing its likelihood or minimizing its impact.

Risks are prioritized according to their severity and considering the Group's risk appetite. The organization then selects risk responses and monitors performance for change. The organization determines a portfolio view of the amount of risk AmRest has assumed in the pursuit of its strategy and business objectives.

E.5 Indicate which risks, including tax risks, have materialised during the year.

The risks materialised during the year were inherent to the activity itself, such as the volatility of gas and electricity prices in Spain and Europe, exchange rates and interest rates.

- **Increase in the cost of commodities, raw material and goods**

Increases in the cost of commodities, raw materials and goods can have an adverse impact on Group's operating profit margins.

During 2023, there has been a volatile commodity price situation as well as an increase in additional taxes on raw materials, which has had a direct effect on the Group's costs.

Therefore, during 2023, the Group has been monitoring raw material prices with the market on a regular basis in order to identify any risks arising therefrom. Furthermore, in order to mitigate these risks, the Group has implemented sourcing strategies, from Value Added Programs and value engineering initiatives to avoid price increase, offsetting can be done also by consumption reduction and by adjusted purchasing strategies (short term – long term price fixing, spot pricing etc.), periodical tender procedures, and established preventative controls to monitor deviations in actual expenditure, monitoring of pricing trends, and active review of tender processes. The Group will continue to keep long term relationship with suppliers and keep right portfolio of the producers.

- **Geopolitical Risks and Financial Risks**

In 2022, the conflict between Russia and Ukraine generated a lot of uncertainty and has negatively affected the economy and the tourist sector in general. In May 2023, it was informed that AmRest definitively ceased all its operations and corporate presence in Russia.

- **Increases in the cost of energy and utilities**

In 2023, higher regulated electricity and gas prices and the end of the fuel rebate in most part of the countries, pushed up energy inflation. Food inflation also spiked, as higher energy and commodity prices eventually fed through to consumer prices. This has affected the cost of production of our final product.

At AmRest, this impact is offset by reducing consumption and adjusting purchasing strategies, trying to optimize energy consumption and achieve the highest possible energy efficiency.

- **Risk of increased financial costs**

Rising inflationary pressure led many central banks to raise interest rates significantly as a countermeasure. As a consequence, the financial cost borne by leveraged companies increased.

AmRest has mitigated the effects of this tightening financial situation through a significant deleveraging process of the company combining increased cash flow generation with reduced financial indebtedness.

With the exception of those previously mentioned, no other risk has materialized with a negative impact during 2023 for the Group. None of these risks had a relevant impact on the AmRest business since the measures for their prevention and/or mitigation worked properly.

E.6 Explain the response and oversight plans for the company's main risks, including tax risks, as well as the procedures followed by the company in order to ensure that the Board of Directors responds to any new challenges that arise.

In order to address and supervise the Group's risk management and control (including fiscal risks), the model is based on a series of processes described in section E.1 and E.2 of this report.

Global Internal Audit and Internal Control Department supports AmRest Management in risks identification and provides recommendations in area of risk management, collects action plans from the Management, which address risks, and monitors and verifies action plans implementation.

Audit & Risk Committee with the Board of Directors, oversees the degree of implementation of the Risk Inventory's action plans or the TOP 10 risks.

There are the committees operating at AmRest in order to respond and supervise entity's main risks, including:

1. Committees composed of the members of the Board of Directors:
 - Audit and Risk Committee
 - Sustainability, Health and Safety Committee
 - Appointments, Remuneration and Corporate Governance Committee
 - Executive Committee

2. Other committees:

- Risk and Compliance Committee
- Crisis Management Committee
- Global Ethics Committee
- Local Ethics Committees

To mitigate tax risks, AmRest:

- Applies the Global Tax Governance Group Policy which includes good practices in respect of taxes.
- Ensures that the Company has the accounting and control mechanisms needed to handle day to day tax and reporting requirements.
- Ensures that tax is properly considered as part of corporate decision making processes.
- Considers the probability of a different approach of tax authority to the application of the tax law and acting in a manner which mitigates such risk.

F INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS RELATING TO THE PROCESS OF PUBLISHING FINANCIAL INFORMATION (ICFR)

Describe the mechanisms forming your company's Internal Control over Financial Reporting (ICFR) system.

F.1 THE ENTITY'S CONTROL ENVIRONMENT

Report on at least the following, describing their principal features:

F.1.1 The bodies and/or departments that are responsible for: (i) the existence and maintenance of an adequate and effective ICFR system; (ii) its implementation; and (iii) its supervision.

The Board of Directors is ultimately responsible for the internal control and risk management systems, reserving for itself, as a non-delegable power, to approve the Company's control and risk management policy, including taxation, and supervision of the internal information and control systems.

Likewise, and in accordance with article 20.4. of the Regulations of the Board of Directors, this function is entrusted to the Audit and Risk Committee. In particular, the Audit and Risk Committee shall:

- Oversee the effectiveness of the Company's internal control system, the internal audit, and the risk management system (both financial and non-financial) and discuss with the accounting auditor any significant weaknesses of the internal control system that may be revealed in the course of the audit, while maintaining its independence. For such purposes, the committee may, if appropriate, submit recommendations or motions to the Board of Directors, with the relevant time period for follow-up.
- Oversee and assess the preparation and presentation process and the integrity of the financial and non-financial information, reviewing compliance with legal requirements, the proper determination of the scope of consolidation and the correct application of accounting standards, and submit recommendations or motions to the Board of Directors for the purposes of safeguarding the integrity of the financial information.
- Ensure that the annual accounts are prepared by the Board of Directors in accordance with the legal provisions on accounting. However, in cases where the auditor has included a qualification in its audit report, the Chairman of the committee shall clearly explain the Committee's view of its content and scope, being a summary of such view available to the shareholders at the time of publication of the call to the General Meeting.
- Liaise with the external auditor to receive information on: matters that could represent a threat to its independence; any matter related to the implementation of the audit process; and, where appropriate, the authorisation of any services, other than those forbidden under the terms of the applicable audit regulations, and other communications envisaged by these regulations.
- Monitor the independence of the internal audit function; propose the selection, appointment and removal of the head of the internal audit service; propose the service's budget; approve or make a proposal for approval to the board of the priorities and annual work programme of the internal audit unit, ensuring that it focuses primarily on the main risks the company is exposed to (including reputational risk); receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.

The head of the internal audit service will submit an annual work program to the Audit and Risk Committee, for approval by this committee or the Board of Directors, and shall report to the committee on (i) its execution, as well as any incidents or scope limitations arising during its implementation, (ii) the results, and (iii) the follow-up of its recommendations.

- Monitor in general that the internal control policies and systems established are applied effectively in practice.

In particular, regarding the Company's risk control and management policy, the Audit and Risk Committee is responsible for supervising that it identifies or determines, at least:

- (i) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks, and risks relating to corruption), with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.
- (ii) A risk control and management model based on different levels.
- (iii) The level of risk that the company considers acceptable.
- (iv) The measures in place to mitigate the impact of identified risk events should they occur.
- (v) The internal control and reporting systems to be used to control and manage the above risks, including contingent liabilities and off-balance sheet risks.

- Oversee the risk control and management unit, which shall perform the following responsibilities:
 - (i) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.
 - (ii) Participate actively in the preparation of risk strategies and in key decisions about their management.
 - (iii) Ensure that the risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the Board of Directors.

Also, Regulations adopted on Audit and Risk Committee develop and supplement the provisions of the Regulations of the Board of Directors. With regard to the process of preparing economic and financial information, Audit and Risk Committee shall:

- Oversee and assess the process of preparation and presentation and the clarity and integrity of the regulated financial and non-financial information relating to the Company and its Group, ensuring that the half-yearly financial reports and the quarterly management statements are drafted in accordance with the same accounting standards as the annual financial reports and to oversee the review of the interim financial statements requested from the auditor, with the scope and frequency that may be defined, as the case may be.
- Review compliance with legal requirements, the proper delimitation of the scope of consolidation, and the correct application of such generally accepted accounting principles and criteria and international financial and non-financial reporting standards as may be applicable.
- Submit recommendations or motions to the Board of Directors for the purposes of safeguarding the integrity of the financial and non-financial information.
- Advise the Board of Directors on any significant change of accounting standard and of the significant risks on the balance sheet and off-balance sheet.
- The functions relating to the process of collecting, preparing, and elaborating non-financial information shall be carried out in constant coordination with other Committees that the Board of Directors may designate from among its members with competencies in sustainability matters.

The Finance Department prepares the financial information and submits it for approval of the Audit and Risk Committee and the Board, and keeps the daily interaction and communication with the Group's external auditor.

The Internal Audit and Internal Control Department of the Group, with regard to its function of supporting the Audit and Risk Committee when supervising the efficiency of the Internal Control System and Company Risk Management, includes in its audit plan periodic revisions of the internal, financial and operational controls. The results of these revisions are summarized in the audit reports, indicating the deficiencies detected and the action plans proposed by the Group Management to remedy them.

Additionally, the Global Risk and Compliance Department was established in the beginning of 2021, which reports directly to the Audit and Risk Committee.

The Company has also adopted the Global Compliance Group Policy implementing:

- Set of operating principles associated with the main compliance areas affecting organization.
- Set of mechanisms and procedures to prevent, identify and resolve situations in which unethical, unlawful practice or regulatory breaches occur in the course of our activities.

Lastly, the Code of Ethics and Business Conduct sets out the main ethical principles and regulations on behaviour for all Group employees.

F.1.2 Indicate whether the following exist, especially in relation to the drawing up of financial information:

- **Departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination throughout the entity.**

The Group, through the corporate Organisational Design division and the organisational units for each country, defines, implements and maintains the organisational structures, set of job positions aligned with the size and complexity of the units and strategy of the Group, addressing appropriate distribution of work and segregation of duties.

With respect to the process of preparing financial information Group has set in place, several policies, instruction and manuals (like Group Accounting Policies, Group Charts of Accounts, Financial Calendar, Global Tax Governance Group Policy, Capex Procedure, Global Compliance Group Policy and Global Risk Management Group Policy) determining responsibilities and authorities. Those documents are internally available on the Intranet and/or are communicated through the internal emails.

Group has financial accounting and controlling functions in each of its operating markets or countries where it has presence; those functions are headed up by a Finance Directors that reports to Regional Chief Financial Officers. Those teams are responsible for implementation and integration of global policies at the local level ensuring the unified reporting standards across all the Group. The consolidation process is carried out in the corporate unit, in the Corporate Finance Policy & Reporting Department, which has overall responsibility for the preparation and issuance of the Group's financial information. As a consequence of all the former, AmRest's organisational structure defines lines of action and responsibility for the areas involved in the generation of financial information, both at the individual entity level and consolidated Group level.

Internal Audit reviews during its assignments any risks related to responsibilities and reporting lines, distribution of work and duties. In case of identifying such risks, Internal Audit provides recommendations, requests for action plans and later monitors and verifies their implementation. Audit reports, including risks, recommendations, action plans and status of action plans implementation are communicated to the Audit and Risk Committee and to the Management.

Internal Audit functionally reports to the Audit and Risk Committee.

- **Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body charged with analysing breaches and proposing corrective actions and sanctions.**

In December 2021 AmRest reviewed and revitalized its Code of Ethics and Business Conduct. The Board of Directors of the Company has an exclusive authority to approve and amend the Code. The document underlines Group's commitment to ethics and compliance with the law as a fundamental part of the company's culture. The Code covers aspects related to the compliance with the law, prevention of bribery and corruption, good accounting and tax practices, as well as respect in the workplace including due regard for human rights, equal opportunities, diversity and health and safety.

All personnel must familiarize themselves and comply with the Code and cooperate to facilitate its implementation throughout the Group which includes reporting any breach of the Code of which they become aware through AmRest's whistleblowing channel.

AmRest set up the process to analyse breaches and propose corrective actions and sanctions where the body charged with these responsibilities is Global Ethics Committee on AmRest Group level and Local Ethics Committees on the country level. Global Ethics Committee consists of representatives from Global Human Resources, Legal, Finance, and the Internal Audit, proposed by the Risk and Compliance Committee and approved by the Audit and Risk Committee. Works of Global Ethics Committee are supported by Chief Risk and Compliance Officer together with Global Compliance Director.

- **Whistleblower channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential and whether anonymous notifications can be made, protecting the rights of the whistleblower and the person reported.**

With regard to the whistleblowing channel, as specified in Article 20 of the Regulations for the Board of Directors, the Audit and Risk Committee has as competency: "establish and supervise the mechanisms that allow employees and other persons related to the Company, such as directors, shareholders, suppliers, contractors or subcontractors to report, confidentially and, if deemed appropriate, anonymously, any irregularities of potential significance, financial, accounting or those of any other nature, that are noticed within the Company, respecting in all cases the personal data protection regulations and the fundamental rights of the parties involved."

AmRest operates whistleblowing channels, including the online "Speak Openly" solution, to allow employees and other stakeholders to report any irregularities and breaches of external or internal regulations. The online solution currently operates in all major markets where AmRest is present except for China (extension to China expected in 2024).

The rules and commitments related to the whistleblowing channels are documented in the Whistleblowing Group Policy, approved by the Board of Directors and ensure among others the confidentiality, possibility of anonymous reporting, protection of whistleblowers and person reported, impartiality of the investigation and prohibition of retaliation.

- **Training and periodic refresher programmes for personnel involved in the preparation and revision of financial information, as well as in the assessment of the ICFR system, covering at least accounting standards, auditing, internal control and risk management.**

With regard to employee training in financial and control issues, AmRest provides it through internal and external trainings.

Financial reporting personnel attend technical sessions run by external consultancy firms, covering developments in accounting. Likewise, the Group relies on the external advice of experts in specific areas related to the financial reporting.

AmRest supports also financial reporting personnel in getting professional and internationally recognized certificates like ACCA (Association of Chartered Certified Accountants) or CIMA (Chartered Institute of Management Accountants). AmRest supports Internal Auditors in getting professional and internationally recognized certificates like CIA (Certified Internal Auditor), CISA (Certified Information Systems Auditor) and others.

F.2 ASSESSMENT OF RISKS IN FINANCIAL REPORTING

Report on at least the following:

F.2.1 The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- **Whether the process exists and is documented.**

AmRest Group's risk identification and assessment is an internal process, defined by Global Risk Management Policy adopted by the Company and cascaded to all subsidiaries within the Group.

Per this policy, process is carried out by:

- Board of Directors and Audit and Risk Committee (oversight the effectiveness of the Group's risk management system).
- Senior Management (promoting risk management culture).
- Risk Owners (Identifying current risks, conducting risk assessment and keeping the risk map updated, defining and executing risk response strategies to mitigate risks).
- Risk and Compliance Committee (fostering the implementation of efficient and complete risk response strategies).
- Risk and Compliance Department (coordinating, promoting and supervising risk management process).
- Internal Audit and Internal Control Department (evaluating risk management, internal controls, corporate governance and providing recommendations).
- Employees and Co-workers (complying with Global Risk Management Policy and procedures).

Section E.4 of this report indicates the risk classification system, which takes into account different categories of risks. Its scope includes also risks directly related to the preparation of the Group's financial information.

The Group's Risk Inventory is formally documented and it is updated annually following the validation and approval process described in the 3 lines of defence explained in E.2.

In relation to reporting of financial information the Group additionally ensures the existence of specific controls covering the potential risk of error or fraud in the issuance of the financial information, i.e., potential errors in terms of: the existence of the assets, liabilities and transactions as of the corresponding date and reporting period; proper and timely recognition and correct measurement of its assets, liabilities and transactions; the correct application of the accounting rules and standards; and adequate disclosures.

These controls are applied dynamically and updated continually to reflect the reality of the Group's business as it evolves.

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

Identification of risks is carried out for each process identified as relevant. Assessment criteria are established from a quantitative perspective in accordance with parameters such as turnover and from a qualitative perspective in accordance with different issues such as transactions standardising and processes automation, changes versus the previous year, complexity of accounting, likelihood of fraud or error. Assessment covers all the objectives of financial information: (i) existence and occurrence; (ii) integrity; (iii) assessment; (iv) release and breakdown; and (v) rights and obligations.

- **The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.**

In the process of identifying the consolidation scope, the Group Controller (Head of Corporate Finance and Reporting Department), regularly updates the consolidation scope, verifying all changes (additions and removals) in the Group structure. Any changes within the scope of consolidation are subject to Audit and Risk Committee approval.

- **Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.**

The process of identifying risks leading to errors in the financial reporting takes into account also qualitative factors, together with other types of risk (like operational, financial, strategic, regarding regulatory compliance) as they ultimately affect the financial statements.

- **The governing body within the company that supervises the process.**

The Board through the Audit and Risk Committee supervises this process.

F.3 CONTROL ACTIVITIES

Report on whether the company has at least the following, describing their main characteristics:

F.3.1 Review and authorisation procedures for financial information and a description of the ICFR, to be disclosed to the securities markets, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions which may materially affect the financial statements, including accounting closing procedures and the specific review of significant judgements, estimates, valuations and projections.

As indicated in F.1.1 section of this report, the Board of Directors relies on the Audit and Risk Committee to supervise the process of preparing and presenting the required financial information relating to the Company and the Group, including related non-financial information, as well as its integrity, reviewing in the first place compliance with regulatory requirements, the proper determination of the scope of consolidation and the correct application of accounting standards.

The Audit and Risk Committee has also the duty to report to the Board of Directors prior to the adoption of the corresponding decisions, regarding the financial information that the Group must periodically disclose to the public, ensuring that such information is prepared in accordance with the same principles and practices used to prepare the financial statements.

AmRest Group issues financial information to the stock market quarterly. This information is prepared by Corporate Finance Policy & Reporting Department that during the closing follows documented procedures (described in the section F.4.2) to ensure the reliability of the information. Each quarter the Corporate Finance Policy & Reporting Department submits the periodic consolidated financial information to the Audit and Risk Committee, highlighting the main assumptions and accounting criteria applied and clarifying any significant events which occurred during the reporting period.

Likewise, AmRest Group has in place documented financial processes, which implies common criteria for preparing financial information for all subsidiaries within the Group. The Corporate Finance Policy & Reporting Department issues mandatory instructions setting out the calendar (taking into account regulatory deadlines) and contents for the financial reporting period for the preparation of the consolidated financial statements.

The Corporate Finance Policy & Reporting Department reviews the key judgments, estimates, valuations and forecasts to identify critical accounting policies that require the use of estimates and value judgments. The most relevant are dealt with by the Audit and Risk Committee. Senior management determines the presentation format of the financial statements prior to approval by the Board. In this regard, the Consolidated Financial Statements of the AmRest Group contain full disclosure on all material areas of uncertainty in relation to the use of judgment, estimates made and the criteria followed in the assessment of such matters.

The most significant areas of material judgements and estimates include:

- Impairment of non-financial assets including goodwill.
- Share-based payments valuations.
- Recognition of provisions for potential tax obligations and uncertain tax provisions.
- Taxes, including deferred taxes.
- Determination of the lease term, whether the Group is reasonably certain to exercise extension or termination options.
- Going concern.

The Board of Directors is responsible for approving the financial information that the Group, being a listed company, is obliged to publish. At the end of the fiscal year, the Board of Directors prepares the financial information, the directors' report and the proposed allocation of the Company's profit, as well as the consolidated reports, and submits them to the General Shareholders' Meeting for approval. For quarterly and half-yearly reporting, the Board reserves the power to approve the financial information that the AmRest Group regularly discloses to the public.

F.3.2 Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) which support significant processes within the company relating to the preparation and publication of financial information.

The Group's IT systems are directly or indirectly related to the financial reporting and financial statements as such. They are configured to ensure the correct preparation and publication of financial information at all times by means of a specific internal control procedures. The Group has internal policies and procedures, which are duly updated and distributed, relating to systems security and access to the IT applications and systems based on roles and in accordance with the duties and clearances ensuring proper separation of powers. The Group's internal policies establish that access to all systems storing or processing data shall be strictly controlled, and that the level of access control required is determined by potential impact on the business. Access rights are assigned by Group experts in this area, by roles and functions. In addition, to ensure compliance, the user and profile maintenance control and review processes in which responsible personnel in each area are involved ensure that information is only available to persons who need it for their work.

Per Group's methodology, any new software developments and any updates of existing IT solutions go through 3 phases, i.e. design, development, and test before final implementation to the productive environment, which guarantees that financial information is handled reliably.

The Group have taken necessary steps to ensure on-going performance of key functions in the event of disasters or other events that could halt or interrupt business operations. These steps constitute specific initiatives mitigating the scale and severity of IT incidents and ensuring that operations are up and running again as quickly and with as little damage as possible. The Group has highly automated back-up systems to ensure the continuity of the most critical systems. In addition, there are specific risk mitigation strategies in place, such as cloud and virtual data processing centres, back-up power suppliers and offsite storage facilities.

F.3.3 Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.

AmRest Group does not usually outsource to third parties' activities that have material impact on the financial reporting process. In case a process or its part is outsourced to an independent party, the same set of policies and procedures applicable for internal reporting purposes is put in place for the external contractor, to ensure coverage of the risks associated with such outsourcing. The Group puts in place service level agreements ensuring the integrity and quality of information provided by external contractors.

The Group mostly assesses its estimates in house. Whenever it is advisable to hire a third-party contractor, it does so having verified their expertise and independence, and validated their methods and the reasonableness of the assumptions made.

F.4 INFORMATION AND COMMUNICATION

Report on whether the company has at least the following, describing their main characteristics:

F.4.1 A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for operations in the organisation, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates.

Corporate Finance Policy & Reporting Department is responsible for defining, updating and disseminating the accounting policies of the AmRest Group. Accordingly, it has a set of Group Accounting Policies adapted to the needs of the Group. The objectives of the Group Accounting Policies are: to adapt the accounting principles and policies developed based on the International Financial Reporting Standards adopted by the European Union (IFRS), to maintain accounting principles and policies which enable that the information is comparable within the Group, to improve the quality of the accounting information of the various Group companies and of the Consolidated Group by disclosing, agreeing and implementing accounting principles which are unique to the Group; and to facilitate the accounting integration of acquired and newly-created companies into the Group's accounting system by means of having a reference manual.

The Group Accounting Policies are disseminated throughout all the personnel involved in the financial reporting process.

Any significant changes affecting Group Accounting Policies as well as clarifications regarding interpretation of accounting policies are communicated to the organization together with the updated policy. Corporate Finance Policy & Reporting Department consist of high qualified personnel and supports managements in resolving queries or conflicts deriving from the interpretation of the accounting standards and/or policies. The Corporate Finance Policy & Reporting Director and Group Chief Financial Officer meets with the Audit Committee at least every quarter to submit the Group's financial statements for validation, explains the criteria used to make important estimates, assessments and conclusions as well as discuss the disclosures of significant and/ or unusual transactions.

F.4.2 Mechanisms for capturing and preparing financial information in standardised formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICFR.

As stated above, AmRest Group possess Group Accounting Policies and Group Chart of Accounts which provide specific instructions for the preparation of the group reporting packages by all components that are base for the consolidated financial statements including the explanatory notes.

AmRest Group has consolidation system, which supports the reporting of the group reporting packages of its subsidiaries, carries out the consolidation procedures including eliminations of intercompany balances. Consolidation tool supports Group in preparation of consolidated financial statements, including explanatory notes.

The system is managed centrally, and all components of the AmRest Group use it consistently. All consolidated units prepare group reporting packages using unified and standardized Group Chart of Accounts.

The financial information in local currencies reported by subsidiaries is automatically converted to the Group's presentation currency and is subsequently aggregated to the consolidated figures. The consolidated procedures are highly automated and includes preventive and detective automatic controls to minimize the occurrence of incidents in the consolidation process. The Corporate Finance Policy & Reporting as well as Planning & Analysis departments perform additional supervision and analytical controls.

F.5 SUPERVISION OF THE FUNCTIONING OF THE SYSTEM

Report on at least the following, describing their principal features:

F.5.1 The activities of the audit committee in overseeing ICFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICFR. Additionally, describe the scope of ICFR assessment made during the year and the procedure through which the person responsible for performing the assessment communicates its results, whether the company has an action plan detailing possible corrective measures, and whether their impact on financial reporting has been considered.

The Regulations of the Board of Directors state that the primary duty of the Audit and Risk Committee shall be to support the Board of Directors in its supervisory duties, with its main functions including: supervising the effectiveness of the Company's internal control system and risk management systems (both financial and non-financial), and discussing with the external auditor significant or material weaknesses in the internal control system detected during the audit. The Audit and Risk Committee is responsible for supervising the effectiveness of the AmRest Group's Internal Audit function.

The Internal Audit and Internal Control function and Risk and Compliance function report functionally to the Audit and Risk Committee, with the primary goal of providing support in Audit and Risk Committee responsibilities concerning overseeing company:

- Risk management
- Internal control system

The Internal Audit function is carried out in accordance with Internal Audit Charter.

With regard to the supervision of internal control over financial reporting (ICFR), AmRest is listed on the Spanish Stock Exchanges and on the Warsaw Stock Exchange and is subject to the regulatory requirements established by the National Securities Market Commission (CNMV) for companies listed on the Spanish Stock Exchanges as well as those established by Polish Financial Supervision Authority (KNF) for companies listed on the Warsaw Stock Exchange.

F.5.2 Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards), the internal auditor and other experts can report to senior management and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

According to the Internal Audit Charter, the Internal Audit Department reports progress of Annual Audits Plan realization, issues with controls, governance, significant AmRest risks, recommendations, progress of management action plans implementation and others which are required by the Audit and Risk Committee.

Any irregularities identified by accounting auditor in standalone and/or consolidated financial statements are reported to the Audit and Risk Committee as Summary Report (after the half-year review and audit of the annual accounts). The Audit and Risk Committee meets the accounting auditor at least twice a year.

As mentioned above, according to the Regulations of the Board of Directors, the Audit and Risk Committee should, among others, oversee the effectiveness of the Company's internal control system, the internal audit, and the risk management system (both financial and non-financial) and discuss with the accounting auditor the significant weaknesses of the internal control system revealed in the course of the audit, while maintaining its independence. For such purposes, the Committee may, if appropriate, submit recommendations or motions to the Board of Directors with the relevant term for follow-up.

Likewise, according to the Regulations of the Board of Directors and the Regulations of the Audit and Risk Committee, with regard to the preparation of the regulated financial information of the Company and its Group, the Committee shall have the following main duties:

- a) To oversee and assess the preparation and presentation process and the integrity of the financial and non-financial information, reviewing compliance with legal requirements, the proper determination of the scope of consolidation and the correct application of accounting standards, and submit recommendations or motions to the Board of Directors for the purposes of safeguarding the integrity of such financial information.
- b) To ensure that the annual accounts are formulated by the Board of Directors in accordance with the legal provisions on accounting. However, in cases where the statutory auditor has included a qualification in its audit report, the Chair of the committee shall clearly explain the content and scope thereof at the General Meeting. In addition, a summary of such explanation shall be made available to the shareholders at the time of publication of the call to the General Meeting.
- c) To ensure that the half-yearly financial reports and the quarterly management statements are drafted in accordance with the same accounting standards as the annual financial reports and to oversee the review of the interim financial statements requested from the auditor, with the scope and frequency that may be defined, as the case may be. The Committee meets often with the external auditor to comply with this function.
- d) To advise the Board of Directors on any significant change of accounting standard and of the significant risks on the balance sheet and off-balance sheet.

F.6 OTHER RELEVANT INFORMATION

Not applicable

F.7 EXTERNAL AUDITOR'S REPORT

Report:

F.7.1 Whether the ICFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment, if not, reasons why should be given.

The information on the internal risk management and control systems relating to the process of publishing financial information (ICFR) has not been submitted for review by the external auditor as the AmRest Group is currently in the process of redesigning and improvements of existing controls and implementation of new controls within the Group.

G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company's conduct, General explanations are not acceptable.

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.

Complies X | Explain

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:

a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries,

b) The mechanisms in place to resolve any conflicts of interest that may arise,

Complies | Complies partially | Explain | **Not Applicable X**

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:

a) Changes that have occurred since the last General Shareholders' Meeting.

b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies X | Complies partially | Explain

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies X | Complies partially | Explain

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of preemptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies X | Complies partially | Explain

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

- a) Report on the auditor's independence.
- b) Reports on the workings of the audit and nomination and remuneration committees.
- c) Report by the audit committee on related party transactions.

Complies X | Complies partially | Explain

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such remote means.

Complies | Complies partially X | Explain

Thus far, the holding of the General Shareholders' Meeting has not been transmitted via the corporate website since the implementation of the mechanisms required for such retransmission, taking into account the shareholder structure of the Company, has not been considered necessary.

On the other hand, the Company has mechanisms that allow remote delegation and exercise of votes by telematic means. However, since the Company is not a highly capitalized company, attendance and active participation in the General Shareholders' Meeting through telematic means is not considered a priority.

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

Complies X | Complies partially | Explain

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies X | Complies partially | Explain

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:

- a) Should immediately distribute such complementary points and new proposals for resolutions.
- b) Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.
- c) Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.
- d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies | Complies partially | Explain | Not Applicable X

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies | Complies partially | Explain | **Not Applicable X**

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies X | Complies partially | Explain

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies X | Explain

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

- a) Is concrete and verifiable.
- b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
- c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies X | Complies partially | Explain

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies X | Complies partially | Explain

16. That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

- a) In large-cap companies where very few shareholdings are legally considered significant.
- b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies X | Explain

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies X | Explain

18. That companies should publish the following information on its directors on their website, and keep it up to date:

- a) Professional profile and biography.
- b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.
- c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.
- d) Date of their first appointment as a director of the company's Board of Directors, and any subsequent re-elections.
- e) Company shares and share options that they own.

Complies X | Complies Partially | Explain

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies | Complies Partially | Explain | **Not Applicable X**

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies | Complies Partially | Explain | **Not Applicable X**

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies X | Explain

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

Complies X | Complies partially | Explain

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.

Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies | Complies Partially | Explain | **Not Applicable X**

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies X | Complies Partially | Explain | Not applicable

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies X | Complies partially | Explain

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies X | Complies partially | Explain

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions,

Complies X | Complies partially | Explain

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies | Complies Partially | Explain | **Not Applicable X**

29. That the company should establish adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies X | Complies partially | Explain

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies X | Explain | Not Applicable

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, in exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies X | Complies partially | Explain

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies X | Complies partially | Explain

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies X | Complies partially | Explain

34. That when there is a coordinating director, the articles of incorporation or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies X | Complies partially | Explain | Not Applicable

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies X | Explain

36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

- a) The quality and efficiency of the Board of Directors' work.
- b) The workings and composition of its committees.
- c) Diversity in the composition and skills of the Board of Directors.
- d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.
- e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies X | Complies partially | Explain

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies X | Complies Partially | Explain | Not Applicable

38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies X | Complies Partially | Explain | Not Applicable

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies X | Complies partially | Explain

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.

Complies X | Complies partially | Explain

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies X | Complies Partially | Explain | Not Applicable

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

- a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational , technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.
- b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.
- c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.
- d) Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

- a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.
- b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.
- c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.
- d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.
- e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies X | Complies partially | Explain

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies X | Complies partially | Explain

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies X | Complies Partially | Explain | Not Applicable

45. That the risk management and control policy identify or determine, as a minimum:

- a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the 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 specialised risk committee when sector regulations so require or the company considers it to be appropriate.
- c) The level of risk that the company considers to be acceptable.
- d) Measures in place to mitigate the impact of the risks identified in the event that they should materialised.
- e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies X | Complies partially | Explain

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:

- a) Ensuring the proper functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.
- b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.
- c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies X | Complies partially | Explain

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies X | Complies partially | Explain

48. That large-cap companies have separate nomination and remuneration committees.

Complies | Explain | **Not Applicable X**

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies X | Complies partially | Explain

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

- a) Proposing the basic conditions of employment for senior management to the Board of Directors.
- b) Verifying compliance with the company's remuneration policy.
- c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.
- d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.
- e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies X | Complies partially | Explain

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies X | Complies partially | Explain

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

- a) That they be composed exclusively of non-executive directors, with a majority of independent directors.
- b) That their chairpersons be independent directors.
- c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.
- d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.
- e) That their meetings be recorded and their minutes be made available to all directors.

Complies X | Complies Partially | Explain | Not Applicable

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies X | Complies Partially | Explain

54. The minimum functions referred to in the foregoing recommendation are the following:

- a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.
- b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.
- c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.
- d) Supervision of the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.
- e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies X | Complies Partially | Explain

55. That environmental and social sustainability policies identify and include at least the following:

- a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct.
- b) Means or systems for monitoring compliance with these policies, their associated risks, and management.
- c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.
- d) Channels of communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies X | Complies partially | Explain

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies X | Explain

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies X | Complies partially | Explain

58. That, as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

- a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.
- b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.
- c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies | Complies Partially | Explain | **Not Applicable X**

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies | Complies Partially | Explain | **Not Applicable X**

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies | Complies Partially | Explain | **Not Applicable X**

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies | Complies Partially | Explain | **Not Applicable X**

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies | Complies Partially | Explain | **Not Applicable X**

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies | Complies Partially | Explain | **Not Applicable X**

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies X | Complies Partially | Explanation | Not Applicable

H FURTHER INFORMATION OF INTEREST

1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but which it is necessary to include in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.

2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.

Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In such case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Tax Practices of 20 July 2010.

Since the Company's shares are listed in both Spain and Poland, AmRest periodically reports on its degree of compliance with the Code of Best Practices for Warsaw Stock Exchange Listed Companies, drawn up by the Warsaw Stock Exchange Council.

This Annual Corporate Governance Report was approved by the Board of Directors of the company at the meeting held on 27 February, 2024.

State whether any directors voted against or abstained from voting on this report.

Yes | **No X**