



REPORT OF THE APPOINTMENT AND REMUNERATION COMMITTEE ON THE EVALUATION OF ITS PERFORMANCE DURING 2021

1. INTRODUCTION

In accordance with the provisions in the internal regulations of AmRest Holdings, SE (“**AmRest**” or the “**Company**”) and so that the Board of Directors may supervise the correct functioning of this committee (the “**Committee**”), pursuant to Article 6.5 of the Rules of Procedure of the Board of Directors and Article 529 nonies of Legislative Royal Decree 1/2010 of 2 July, which approves the consolidated text of the Spanish Companies Act (*Ley de Sociedades de Capital*) (“**Companies Act**”), this Committee prepares this report on its performance.

This report, in reference to the activities developed by the Appointment and Remuneration Committee during 2021, will be available to shareholders and investors via the Company's website (www.amrest.eu) as of the call to the General Shareholders Meeting.

This report has been prepared in compliance with recommendation six of the Code of Good Governance of Listed Companies published by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (“**CNMV**”) in the year 2020, and its content is consistent with the recommendations of the Technical Guide 1/2019 of the CNMV on appointment and remuneration committees.

2. REGULATIONS

The rules of organisation and operation of the Appointment and Remuneration Committee are recorded in the Rules of Procedure of the Board of Directors, which is available on the Company's website (www.amrest.eu).

In relation to Recommendation 48 of the new Code of Good Government of Listed Companies, which recommends that large-cap companies have a separate appointment committee and a separate remuneration committee, the Committee considers the existence of a single committee to be appropriate.



The foregoing, given the Company's organisational structure, the composition of the Board of Directors (seven members) and the fact that, according to the above recommendation, AmRest does not have the consideration of a large-cap company because it is not included in the Ibex-35 index.

3. COMPOSITION OF THE COMMITTEE

Article 20 of the Rules of Procedure of the Board of Directors establishes that this Committee must be composed of a minimum of three and a maximum of five directors, appointed by the Board of Directors from among its non-executive directors, and at least two of them must be independent directors.

In addition, the members of the Appointment and Remuneration Committee as a whole, and in particular its chairman (the "**Chairman**"), will be appointed taking into account their knowledge, skills and experience, and the duties assigned to the Committee.

The Chairman of the Appointment and Remuneration Committee will necessarily be an independent director.

At year-end 2021, the Appointment and Remuneration Committee was composed as follows:

- (i) Mr Pablo Castilla Reparaz (Chairman), external independent director of AmRest since 1 March 2018.
- (ii) Mr Luis Miguel Álvarez (member), external proprietary director of AmRest since 1 March 2018.
- (iii) Mr Emilio Fullaondo Botella (member), external independent director of AmRest since 14 May 2019.
- (iv) Ms Romana Sadurska (member), external independent director of AmRest since 14 May 2019.

Mr Eduardo Rodríguez-Rovira continues to hold the office of non-board member secretary of the Appointment and Remuneration Committee, in accordance with the provisions of the Rules of Procedure of the Board of Directors, while, due to the departure of Mr Jaime Tarrero Martos, the office of deputy secretary of the Appointment and Remuneration Committee is currently vacant.



All information concerning the members of the Appointment and Remuneration Committee, including their professional and biographical profiles, is available on the Company's website (www.amrest.eu).

Accordingly, the composition of the Committee in 2021 corresponds to the provisions of the Companies Act and the Rules of Procedure of the Board of Directors, since it is composed exclusively of non-executive directors, where at least two of them are independent and its chairman is one of the independent directors.

Considering the professional and biographical profiles, the composition of the Committee is diverse in terms of gender, professional experience, competencies and personal abilities, and its members enjoy the knowledge, skills and experience necessary to carry out their duties.

4. OPERATION OF THE COMMITTEE

The Appointment and Remuneration Committee meets as often as necessary, at the discretion of its Chairman, who must call a meeting whenever the issuance of a report or the adoption of proposals is required, and in any case, whenever it is desirable for the proper development of its duties.

The Committee is validly quorate when the majority of its members are present, either in person or by proxy, and adopts its resolutions by the majority in attendance, whether in person or by proxy.

During financial year 2021, the Committee met on nine occasions. Therefore, it has met with the frequency necessary for the correct performance of its functions.

Besides the members of the Committee, José Parés Gutiérrez (Chairman of the Board of Directors) and Ismael Sánchez Moreno (Global Manager of Human Resources of the Group of companies to which the Company belongs [the "**Group**"]) have attended several meetings as guests.

With regard to the preparation and development of the meetings, the Chairman of the Committee calls the meetings with due advance notice, except for reasons of urgency or timeliness, where the meeting has been held on a universal basis, with all of its members attending the meetings, either present or represented. In addition, the members of the Committee are provided with information on the matters to be dealt with prior to each



meeting, encouraging their active participation and informed adoption of resolutions.

The secretary has drawn up the relevant minutes of all meetings held, reflecting in these the development, content, deliberations and resolutions adopted in the meetings. The minutes of the Committee are available to both its members and the members of the Board of Directors.

Therefore, the Committee exercises its functions independently and complies with the rules of operation established in the Articles of Association and the Rules of Procedure of the Board of Directors, organising itself in a correct and efficient manner for the performance of its duties.

5. COMMITTEE WORK IN 2021

At its meetings held during 2021, the Committee has addressed, inter alia, the following issues:

- Follow-up of the implementation process of the new organisational model.
- Analysis and approval of proposed implementation of a long-term compensation plan for employees, through direct delivery of shares when certain conditions are met.
- Review and approval of the short-term incentive (annual bonus) for the executive team and brand presidents.
- Approval of the annual report of the Appointment and Remuneration Committee on the evaluation of its performance during 2020.
- Proposal for the replacement of CEO Mark Chandler and the definition of his conditions for departure, as well as the analysis of his potential substitutes and proposal for the appointment of Luis Comas, including the corresponding remuneration package. Analysis of potential candidates to replace Luis Comas as La Tagliatella brand president, and proposal for appointment of his replacement. Proposal for the appointment of the new Global Manager of Group Operations and the new Deputy Secretary of the Board of Directors and Global Manager of Legal Affairs.
- Approval of key proposals for candidates for positions on the executive team or as brand presidents, as well as their remuneration packages, including the



proposal for the Burger King Brand President and the KFC Brand President.

6. EVALUATION OF THE OPERATION AND PERFORMANCE OF THE APPOINTMENT AND REMUNERATION COMMITTEE. CONCLUSIONS

The Board of Directors has evaluated the operation of the Appointment and Remuneration Committee during financial year 2021, the degree of preparation and execution of the work entrusted to it by the Board, and the performance of its areas of responsibility and duties, and considers that the performance of the Committee has been satisfactory.

The independent evaluation of the Appointment and Remuneration Committee has not led to significant changes in its internal organisation and procedures.

The Committee trusts that the new organisational structure and changes in the organisation, evaluation and reporting systems will contribute to the better operation of the organisation and will benefit the business as well.

February 2022