



APPOINTMENTS AND REMUNERATION COMMITTEE PERFORMANCE REPORT 2020

1. INTRODUCTION

The Committee has prepared this report pursuant to the terms stipulated in the internal regulations of AmRest Holdings, SE ("**AmRest**" or the "**Company**") and in order for the Board of Directors to observe the performance of the Committee in accordance with Article 6.5 of the Board of Directors Regulation and Article 529, section 9, of Royal Legislative Decree 1/2010 of July 2, approving the consolidated text of the Spanish Corporate Enterprises Act (the "**Corporate Enterprises Act**").

This report on the activities performed by the Appointments and Remuneration Committee during the 2020 fiscal year will be available to shareholders and investors on the Company's website (www.amrest.eu) from the time at which the general shareholders' meeting is arranged.

This report has been prepared in accordance with Recommendation 6 of the Good Governance Code of Listed Companies published by the Spanish Stock Market Regulator (*Comisión Nacional del Mercado de Valores*, the "**CNMV**") in 2015. Moreover, its content aligns with the recommendations outlined in the CNMV's Technical Guidelines 1/2020 on appointments and remuneration.

2. REGULATION

The rules regarding the organisation and performance of the Appointments and Remuneration Committee are outlined in the Board of Directors Regulation which are available for perusal on the Company's website (www.amrest.eu).

Although Recommendation 48 of the new Good Governance Code states that large-cap companies should operate separate appointments and remuneration committees, the Committee deems the existence of one body as sufficient in view of the Company's organisational structure, the arrangement of the Board of Directors (seven members) and the fact that, pursuant to said Recommendation, AmRest is not considered a large-cap enterprise due to not being listed on the Ibex-35.



3. COMMITTEE STRUCTURE

The structure of the Appointments and Remuneration Committee is as follows:

- (i) Pablo Castilla (Chairman), an independent external AmRest Board member since March 12, 2018.
- (ii) Luis Miguel Álvarez (Committee Member), an external Director representing substantial shareholders on AmRest's Board since March 12, 2018.
- (iii) Emilio Fullaondo Botella (Committee Member), an independent, external AmRest Board member since May 14, 2019.
- (iv) Romana Sadurska (Committee Member), an independent, external AmRest Board member since May 14, 2019.

Remaining as Secretary and Deputy Secretary of the Committee Mr. Eduardo Rodríguez-Rovira and Mr. Jaime Tarrero Martos, respectively.

Information on each of the Appointments and Remuneration Committee members, including their professional profiles and biographies, can be found on the Company's website (www.amrest.eu).

Upon being formed exclusively of non-executive members appointed by the Board, the majority of whom are independent members and with the chairman also being an independent Board member, the structure of the Committee in 2020 meets the requirements set out under the Corporate Enterprises Act, and the Board of Directors Regulation.

Based on the members' professional profiles and biographies, the Committee is considered diverse in terms of gender, career background, skills and abilities, with the members possessing the knowledge, qualifications and experience required to perform the Committee's duties.

4. FUNCTIONING OF THE COMMITTEE

The Appointments and Remuneration Committee meets as often as necessary in the Chairman's view, who must arrange a meeting when reports are to be issued or



proposals are to be approved and, in any event, when a meeting is required to ensure the correct performance of the Committee's duties.

Committee meetings are deemed validly established when attended by the majority of its members, whether present themselves or represented, with resolutions adopted by way of such majority.

The Committee met on 10 occasions throughout 2020. Thus, enough meetings were held for the Committee to properly perform its duties.

In addition to the Committee members, attending as guests at some of the meetings were Mr. Ismael Sánchez Moreno (Global Director of Human Resources) and Mr. Lukasz Lubicz from the Remuneration division of the Human Resources department.

Regarding the preparation and running of the sessions, the Committee chairman arranged each meeting with sufficient notice except when called urgently, with all members attending each and every gathering, present or represented. Moreover, prior to each meeting the members were provided with information on the matters to be addressed at the sessions, thus facilitating their active participation and informed passing of resolutions.

The Secretary drew up the corresponding minutes of each meeting held, reflecting their running, content, discussions and adopted resolutions. All Committee meeting minutes are available to its members, as well as to the members of the Board of Directors.

Therefore, the Committee performs duties on an independent basis and has complied with all regulations set out in the Articles of Association and the Board of Directors Regulation, and is structured efficiently and correctly to be able to perform its duties.

5. THE COMMITTEE'S WORK IN 2020

Among others, the Committee addressed the following matters in the meetings held throughout 2020:

- Review of the performance of the CEO and the high officers which are members of the Executive Team, and approval of their variable remuneration for the previous year.
- Propose to the Board the appointment of Ms. Mónica Cueva Díaz as an

independent director to fill the vacancy arising from the resignation of Mr. Mustafa Ogretici.

- Appointments of the replacements for outgoing chairmen of brands. Of special mention due to the importance of the role is the appointment of Mr. Luis Comas as head of La Tagliatella after the departure of Ms. Malena Pato-Castel.
- Appointment of the Chairman Mr. José Parés as CEO.
- Appointment of Mr. Santiago Gallo as Chief Marketing Officer.
- Analysis, design and implementation of a project to modify first line reporting to the Board which was drawn up with the help of external consultants to help streamline the organizational structure by introducing changes to organization, evaluation and reporting systems.

6. ASSESSMENT OF THE PERFORMANCE AND FUNCTIONING OF THE APPOINTMENTS AND REMUNERATION COMMITTEE. CONCLUSIONS

The Board of Directors has assessed the performance of the Appointments and Remuneration Committee for the 2020 fiscal year, the degree of preparation and execution of the tasks mandated thereto by the Board and the performance of its duties and functions. In this regard, the Board of Directors deems the Committee's performance to be satisfactory.

The independent assessment of the Appointments and Remuneration Committee has not raised any significant modifications to its internal organisation or procedures.

The Committee trusts that the new organizational structure and changes made to above-mentioned systems contribute to the better functioning of this organization and will benefit the business.