

(Free translation from the original in Spanish, in the event of discrepancy, the Spanish-language version prevails).

**REPORT PREPARED BY THE BOARD OF DIRECTORS OF "VISCOFAN, SOCIEDAD ANÓNIMA" ON THE PROPOSAL OF THE APPOINTMENT AND REMUNERATION COMMITTEE FOR THE APPOINTMENT OF LAURA GONZÁLEZ-MOLERO, AS AN INDEPENDENT DIRECTOR, IN THE GENERAL SHAREHOLDERS' MEETING CALLED FOR 24 AND 25 MAY 2018.**

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**A) PURPOSE OF THE REPORT**

Article 529i of the Corporate Enterprises Act, as amended by Law 31/2014, of 3 December, establishes that:

*"4. The proposal for the appointment or re-election of the members of the Board of Directors is made by the Appointments and Remuneration Committee, in the case of independent Directors, and by the Board itself, in other cases.*

*5. The proposal must in any case be accompanied by a report from the Board assessing the competence, experience and merits of the proposed candidate, which must be attached to the minutes of the General Shareholders' Meeting or the Board itself.*

*6. The proposal for the appointment or re-election of any non-independent Director must also be preceded by a report from the Appointments and Remuneration Committee. [..]"*

In order to comply with the provisions of section 5 of the aforementioned article, the Board of Directors of VISCOFAN S.A. has prepared this report, which accompanies the proposal of the Appointments and Remuneration Committee, for the appointment of Laura González-Molero as a member of the Board of Directors of the Company, as an independent Director, by the Company's Ordinary General Shareholders' Meeting.

For the purposes of preparing this report, the Board of Directors has assessed the proposal of the Appointments and Remuneration Committee, in accordance with the provisions of section 6 of article 529i, that it makes its own in its entirety.



The Board considers that Laura González-Molero has the necessary competence, experience and merits to propose her appointment as a member of the Board of Directors of Viscofan S.A. to the Company's General Shareholders' Meeting.

#### **B) PROPOSED RESOLUTION**

The Board proposes the appointment of Laura González-Molero as an independent Director for the statutory period of four years from the date of the General Shareholders' Meeting.

#### **C) APPROVAL OF THE REPORT**

This report was issued and unanimously approved by the Board of Directors at its meeting held on 22 March 2018.