

Mediaset España Comunicación, S.A.

Independent Limited Assurance Report
on the Annual Corporate Governance
Report for 2020

24 February 2021

*Translation of a report originally issued in Spanish. In the
event of a discrepancy, the Spanish-language version
prevails.*

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INDEPENDENT LIMITED ASSURANCE REPORT ON THE ANNUAL CORPORATE GOVERNANCE REPORT

To the Directors of
Mediaset España Comunicación, S.A.,

Scope of the Engagement

We have performed a limited assurance engagement in relation to the information included in sections A, B, C, D, E, G and H of the Annual Corporate Governance Report of Mediaset España Comunicación, S.A. for the year ended 31 December 2020, prepared in accordance with the provisions of Article 540 of the Spanish Limited Liability Companies Law, Ministerial Order ECC/461/2013, of 20 March, which determine, inter alia, the minimum content and structure of the Annual Corporate Governance Report, and Circular 5/2013, of 12 June, of the Spanish National Securities Market Commission (CNMV), which establishes model annual corporate governance reports for, among others, listed companies, amended by CNMV Circular 7/2015, of 22 December, CNMV Circular 2/2018, of 12 June, and CNMV Circular 1/2020, of 6 October.

In relation to the content of section G of the Annual Corporate Governance Report, for the recommendations of the unified code that have not been implemented by the Company, the directors of Mediaset España Comunicación, S.A. offered the explanations that they considered appropriate. Due to its nature, in these cases, our work consisted solely of checking that the assertions included in the report do not contradict the evidence obtained from the application of the procedures conducted.

Responsibilities of the Directors

The directors of Mediaset España Comunicación, S.A. are responsible for the preparation, content and presentation of the information contained in the accompanying Annual Corporate Governance Report. This responsibility includes the design, implementation and maintenance of such internal control as is determined to be necessary to enable the Annual Corporate Governance Report to be free from material misstatement, whether due to fraud or error.

The directors of Mediaset España Comunicación, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the Annual Corporate Governance Report is obtained.

Our Responsibility

Our responsibility is to issue a limited assurance report based on the procedures we conducted and the evidence we obtained. We performed our limited assurance engagement in accordance with the requirements established in Standard ISAE 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance provided is also lower.

The procedures we conducted for the purposes of this engagement were based on professional judgement and consisted of making inquiries of management, and carrying out certain analytical procedures and sample-based review tests.

Specifically, our work included the following procedures:

- Perusal and understanding of the information prepared by the Company and included in the Annual Corporate Governance Report and assessment of whether this information addresses all the contents required by Article 540 of the Spanish Limited Liability Companies Law, Ministerial Order ECC/461/2013, of 20 March, and CNMV Circular 5/2013, of 12 June, as worded by the subsequent amendments included in CNMV Circular 7/2015, of 22 December, CNMV Circular 2/2018, of 12 June, and CNMV Circular 1/2020, of 6 October.
- Perusal of the legal documentation, the minutes of the Annual General Meeting and Board of Directors meetings, the separate and consolidated financial statements for 2020, and the various internal and external communications relating to the suitability of the information included in the Annual Corporate Governance Report.
- Holding of interviews with the personnel of Mediaset España Comunicación, S.A. including members of management and other bodies responsible for the Company's various areas of governance covered by the report.
- Analysis of the procedures used by the Company to compile and validate the data and information presented in the Annual Corporate Governance Report.
- Verification, by means of sample-based review tests, of quantitative information included in the Annual Corporate Governance Report and of its adequate compilation from the data supplied by management of Mediaset España Comunicación, S.A. and, as appropriate, against the figures included in the separate and consolidated financial statements for 2020 provided by management of Mediaset España Comunicación, S.A.

- Obtainment of a representation letter on the work performed duly signed by the persons responsible for preparing and drafting the Annual Corporate Governance Report.

Independence

We have complied with the independence and other ethical requirements of the Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA).

In accordance with International Standard on Quality Control (ISQC) 1, Deloitte has in place a global system of quality control which includes documented policies and procedures in relation to compliance with ethical requirements, professional standards and applicable legislation.

Conclusion

As a result of the procedures that we have conducted and the evidence that we have obtained, nothing has come to our attention that causes us to believe that sections A, B, C, D, E, G and H of the accompanying Annual Corporate Governance Report of Mediaset España Comunicación, S.A. for the year ended 31 December 2020 contain material errors or have not been prepared, in all material respects, in accordance with the provisions of Article 540 of the Spanish Limited Liability Companies Law, Ministerial Order ECC/461/2013, of 20 March, and CNMV Circular 5/2013, of 12 June, amended by CNMV Circular 7/2015, of 22 December, CNMV Circular 2/2018, of 12 June, and CNMV Circular 1/2020, of 6 October.

Other Matter

Under no circumstances may this report be considered to be an auditor's report in the terms envisaged in the audit regulations in force in Spain.

As detailed in the "Scope of the Engagement" section of this report, the review of the content of section F of the accompanying Annual Corporate Governance Report, which contains the description of the System of Internal Control over Financial Reporting (ICFR) of Mediaset España Comunicación, S.A., is beyond the scope of this report.

DELOITTE, S.L.



Fernando García Beato
24 February 2021

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC COMPANIES

ISSUER IDENTIFICATION

YEAR END-DATE: [31/12/2020]

Tax id (C.I.F.): [A-79075438]

Company Name:

[MEDIASET ESPAÑA COMUNICACIÓN, S.A.]

Registered office:

[CARRETERA DE FUENCARRAL A ALCOBENDAS 4 – MADRID]

DISCLAIMER: The English version is a translation of the original in Spanish for information purposes only. In case of a discrepancy, the Spanish original will prevail.

A. OWNERSHIP STRUCTURE

A.1 Complete the table below with details of the company's share capital:

Date of last change	Share capital (euros)	Number of shares	Number of voting rights
22/05/2018	163,717,608.00	327,435,216	327,435,216

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, excluding directors:

Name or company name of shareholder	% voting rights attached to the shares		% voting rights through of financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
SIMON DAVIS	0.00	2.11	0.00	0.00	2.11
MELQART OPPORTUNITIES MASTER FUND LTD	0.00	0.00	2.00	2.00	2.00
SAND GROVE OPPORTUNITIES MASTER FUND LTD	0.00	0.00	0.00	1.67	1.67
SILVIO BERLUSCONI	0.00	50.21	0.00	0.00	50.21

Breakdown of the indirect holding:

Name or corporate name of indirect shareholder	Through: name or corporate name of direct shareholder	% of voting rights per share	% of voting rights held from financial instruments	% of total voting rights
SILVIO BERLUSCONI	MEDIASET SPA	50.21	0.00	50.21

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

Most significant movements

On 29 June 2020 Melqart Opportunities Master Fund Ltd announced an increase in its shareholding in the company's share capital reaching 2.003% of the voting rights.

On November 17, 2020 Sand Grove Opportunities Master Fund Ltd announced an increase in its shareholding in the company's share capital reaching 1.673% of the voting rights.

A.3 Complete the following tables on members of the company's Board of Directors holding voting rights on the company's shares:

Name or company name of the director	% of voting rights attributed to the shares		% of voting rights held from financial instruments		% of total voting rights	% of voting that can be transmitted through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MR. JAVIER DIEZ DE POLANCO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MR. ALEJANDRO ECHEVARRÍA BUSQUET	0.01	0.00	0.01	0.00	0.02	0.00	0.00
MR. BORJA PRADO EULATE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MR. MARIO RODRÍGUEZ VALDERAS	0.00	0.00	0.00	0.00	0.01	0.00	0.00
MR. PAOLO VASILE	0.01	0.00	0.00	0.00	0.05	0.00	0.00
MR. MASSIMO MUSOLINO	0.00	0.00	0.00	0.00	0.01	0.00	0.00

Total percentage of voting rights held by the Board of Directors	0.09
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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	% of voting rights through financial instruments	% of total voting rights	% voting rights that can be transmitted through financial instruments
No data available					

Mr. Alejandro Echevarría Busquet holds 0.029% of total voting rights, of which 0.018 corresponds to the % voting rights attached to the shares and 0.011 to the % of the voting rights through financial instruments.

Mr. Paolo Vasile holds 0.050% of total voting rights, of which 0.014 corresponds to the % voting rights attached to the shares and 0.036 to the % of the voting rights through financial instruments.

Mr Massimo Musolino holds 0.013% of total voting rights, of which 0.008 corresponds to the % voting rights attached to the shares and 0.005 to the % of the voting rights through financial instruments.

Mr. Mario Rodríguez Valderas holds 0.011% of total voting rights, of which 0.006 corresponds to the % voting rights attached to the shares and 0.005 to the % of the voting rights through financial instruments.

Mr. Javier Diez de Polanco holds 0.001% of the voting rights attributed to the shares.

Mr. Borja Prado Eulate indirectly holds 0.002% of voting rights attributed to the shares.

A.4 Indicate, if applicable, 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
No data available		

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
No data available		

A6. Describe the relationships, unless insignificant for both parties, that exist between significant shareholders or 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
MS. GINA NIERI	MEDIASET SPA	MEDIASET SPA	Member of the Board of Directors
MR. NICCOLÓ QUERCI	MEDIASET SPA	MEDIASET SPA	Member of the Board of Directors
MR. FEDELE CONFALONIERI	MEDIASET SPA	MEDIASET SPA	Chairman of the Board of Directors
MR. MARCO GIORDANI	MEDIASET SPA	MEDIASET SPA	Member of the Board of Directors

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, briefly describe them:

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
SILVIO BERLUSCONI

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

At year-end:

Number of directly held shares	Number of indirectly held shares (*)	% of total share capital
14,269,073		4.36

(*) Held through:

Name or company name of the direct shareholder	Number of directly held shares
No data available	

A.10 Give details of the applicable conditions and time periods governing any resolutions of the General Shareholders’ Meeting to issue, buy back and/or transfer treasury stock.

The General Shareholders’ Meeting held on September 4th, 2019, under item 3 on the agenda, approved the acquisition and transfer of own shares for a period of five years from the date of that agreement.

The resolution was approved with a total of 232,116,592 votes in favour, representing 93.199%, 16,746,943 votes against, representing 6.724%. 184,034 abstentions representing 0.074% and 7,261 blank votes representing 0.003%.

The content of the resolution adopted is as follows:

“In order to allow for the acquisition of treasury shares of the Company by any means, and to apply the acquired treasury shares to remuneration programs and/or to their subsequent sale (including in the context of the Merger), it is approved to authorise the board of directors, in accordance with the provisions of article 146 et seq of the Spanish Corporate Enterprises Act, to acquire treasury shares by any means and and it is approved to revoke the authorisation granted to the board of directors for the same purpose at the ordinary general meeting of Mediaset España held on 13th April 2016, with regards to the unused amounts.

The authorisation is granted subject to the following limitations and requirements:

- (i) The shares may be acquired for consideration of for free.
- (ii) The nominal value of the treasury shares acquired, when added to those already held by Mediaset España and its subsidiaries, shall not exceed ten percent (10%) of the issued and outstanding capital of Mediaset España, except in those cases where necessary in order to honor the shareholders right to cast their vote against the Merger submitted to the Extraordinary General Meeting under item SECOND of the agenda.
- (iii) The shares acquired shall be fully paid up, free from any charge or lien, and not subject to the fulfillment of any obligation.
- (iv) The minimum purchase price of the shares will be its nominal value and the maximum purchase price of the shares shall not exceed the higher of (a) EUR 6.5444 per share, and (b) one hundred twenty percent (120%) of their market value on the acquisition date. For clarification purposes, in cases where the acquisition of shares occurs in the context of the exercise of separation rights by shareholders who have voted against the Merger submitted to the Extraordinary General Meeting under the SECOND item on the agenda, the price payable shall be 6.5444 euros, as provided for in the Common Cross-Border Merger Plan
- (v) Term of authorization: five (5) years from the date of this resolution.
- (vi) Mediaset España's internal rules of conduct shall be complied with when acquiring treasury shares. The authorisation includes the possibility of using all or part of the treasury shares thus acquired for the implementation of remuneration programmes that involve the delivery of shares or stock options, or that are based, in any way, on the evolution of the market price of the shares, in accordance with the provisions of article 146.1.a) of the Spanish Corporate Enterprises Act, as well as the possibility of selling the treasury shares thus acquired in any other way.

In particular, in relation to treasury shares acquired as a result of the exercise of the right of withdrawal by

shareholders who have voted against the Merger, submitted to the Extraordinary General Meeting under item TWO on the agenda, the board of directors may request commitments from third parties to purchase such shares (which may be firm or subject to such conditions as the board of directors may deem appropriate) and/or sell them through open market transactions, accelerated book-building offerings, over-the-counter transactions or any other means that the board of directors deems appropriate, given the circumstances, to maximise the certainty of execution and the price at which the shares are sold.

Likewise, in accordance with article 148 Spanish Corporate Enterprises Act, the board of directors shall, following the acquisition of treasury shares, book in the net equity a non-distributable reserve in the amount of the purchase price of the treasury shares so acquired accounted for in the asset. This reserve should be maintained while the treasury shares are not disposed of.

Finally, the authorisation to the board of directors includes the express power of delegation to the board members it deems appropriate, as well as the Chief Executive Officer and the Secretary of the board, as broadly as is necessary, to adopt such resolutions as may be necessary or desirable in order to successfully implement this resolution and comply with applicable legislation.”

A.11 Estimated floating capital:

	%
Estimated floating capital	42.40

A.12 Indicate whether there are any restrictions (articles of association, legislative or of any other nature) on the transfer of shares and/or any restrictions on voting rights. In particular, state the existence of any type of restriction that may inhibit a takeover attempt of the company through acquisition of its shares on the market, and any regimes for the 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 applicable, explain the measures approved and the terms under which the restrictions shall not apply:

A.14 Indicate whether the company has issued securities not traded in a regulated market of the European Union.

- Yes
 No

If so, identify the various classes of shares and, for each class of shares, the rights and obligations they confer:

B. GENERAL SHAREHOLDERS' MEETING

B.1 State and, if applicable, detail whether there are any differences from the regulations on the minimum provided for by the Spanish Corporate Enterprises Act regarding the quorum necessary to hold the General Shareholders' Meeting.

- 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 on 1st call	50.00	0.00
Quorum required on 2nd call	0.00	0.00

Description of differences

According to Mediaset's Articles of Association, the General Meeting shall be validly convened with the attendance, either personally or by proxy, of at least fifty per cent of share capital subscribed and with voting rights, rather than the twenty-five per cent required in the Spanish Corporate Enterprises Act.

The percentages required in second call in the Articles of Association are the same as in the Spanish Corporate Enterprises Act.

The quorum required by Art. 25 of the Articles of Association on the first and second call for the General Shareholders' Meeting to validly agree on the issuance of obligations, a capital increase or reduction, transformation, merger or spin off of the Company and, in general, any modification to the Articles of Association (Section 194 of the Spanish Corporate Enterprises Act).

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

B.3 Indicate the rules governing amendments to the company's Articles of Association. In particular, indicate the majorities required to amend the Articles of Association and, if applicable, the rules for protecting shareholders' rights when changing the Articles of Association.

To amend the articles of association, the General Meeting shall be validly constituted on first call when the shareholders, present or represented by proxy, hold at least fifty (50%) per cent of the subscribed share capital with voting rights. On second call, the attendance of twenty-five (25%) per cent shall be sufficient.

In addition, when proposals have been submitted to amend the Articles of Association, shareholders receive a report explaining the proposed amendments drawn up by the Board of Directors. No proposals to amend by the Articles of Association have been made to date that would be detrimental to any class of shares. In the event such proposals are made, the measures set out in the law to protect shareholders' rights would apply.

As an exception to the above, in accordance with Article 4.2 of the Articles of Association, the Board of Directors is competent to transfer the registered office within the same municipal area.

B.4 Provide the following figures on attendance to the General Shareholders' Meetings held during the year covered by this report and the two previous years:

Date of the General Meeting	Attendance figures				Total
	% physically present	% present by proxy	% remote voting		
			Electronic means	Other	
27/04/2017	49.85	29.11	0.00	1.18	80.14
Of which floating capital	0.05	29.11	0.00	1.18	30.34
18/04/2018	0.04	76.86	0.00	0.09	76.99
Of which floating capital	0.04	26.67	0.00	0.09	26.80
10/04/2019	0.04	70.78	0.00	0.40	71.22
Of which floating capital	0.04	19.15	0.00	0.40	19.59
04/09/2019	0.07	74.98	0.30	0.70	76.05
Of which floating capital	0.07	23.35	0.30	0.70	24.42
05/02/2020	0.05	69.61	0.01	0.48	70.15
Of which floating capital	0.05	16.34	0.01	0.48	16.88
10/06/2020	0.03	72.26	0.00	0.42	72.71
Of which floating capital	0.03	18.99	0.00	0.42	19.44

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 there is any restriction in the Articles of Association establishing a minimum number of shares necessary to attend the General Shareholders' Meeting:

- Yes
 No

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

- Yes
 No

B.8 Indicate the address and mode of accessing corporate governance content on your company's website as well as other information on General Meetings which must be made available to shareholders on the website.

All information concerning corporate governance, or General Shareholders' Meetings held or scheduled, is accessible to all shareholders on the Company's website through the following URL:
<http://www.telecinco.es/inversores/es/>.

C. STRUCTURE OF THE COMPANY GOVERNING BODIES

C.1 Board of Directors

C.1.1 Maximum and minimum number of directors included in the Articles of Association and the number set by the General Shareholders Meeting:

Maximum number of directors	19
Minimum number of directors	11
Number of board members set by the General Shareholder's Meeting	12

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 of first appointment	Date of last appointment	Method of appointment
MS. GINA NIERI		Proprietary	DIRECTOR	18/04/2018	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MR. NICCOLÓ QUERCI		Proprietary	DIRECTOR	18/04/2018	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MR. JAVIER DIEZ DE POLANCO		Independent	DIRECTOR	18/04/2018	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MS. CRISTINA GARMENDIA MENDIZÁBAL		Independent	DIRECTOR	18/04/2018	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MR. ALEJANDRO ECHEVARRÍA BUSQUET		Other external	CHAIRMAN	15/05/1996	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MS. CONSUELO CRESPO BOFILL		Independent	DIRECTOR	18/04/2018	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MR. BORJA PRADO EULATE		Proprietary	DIRECTOR	18/04/2018	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MR. MARIO RODRÍGUEZ VALDERAS		Executive	SECRETARY BOARD MEMBER	09/04/2008	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MR. FEDELE CONFALONIERI		Proprietary	VICE-PRESIDENT	21/12/2000	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING

MR. MARCO GIORDANI		Proprietary	DIRECTOR	07/05/2003	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MR. PAOLO VASILE		Executive	CHIEF EXECUTIVE OFFICER	29/03/1999	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING
MR. MASSIMO MUSOLINO		Executive	DIRECTOR	09/04/2008	18/04/2018	AGREEMENT GENERAL SHAREHOLDERS' MEETING

Total number of directors	12
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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
MS. HELENA REVOREDO DELVECCHIO	Independent	18/04/2018	02/03/2020	Ms. Revoredo was member of the Audit and Compliance Committee	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
Ms. Revoredo informed the directors of her decision to cease as independent director due to personal reasons that prevented her from continuing in her position. The full board thanked her for her work and dedication to the company during her term of office.

C.1.3 Complete the following tables on the members of the Board and their categories:

EXECUTIVE DIRECTORS		
Name or company name of the director	Position in organisation chart of the company	Profile
MR. MARIO RODRIGUEZ VALDERAS	General Corporate Manager	He holds a degree in Law and Business Studies from ICADE and a Master's degree in Legal Business Management from the Instituto Libre de Derecho y Economía. He began his professional career in the law firm of Professor of Administrative Law Santiago Muñoz Machado (1991-1998), where

		<p>he specialised in media law. In 1998 he joined the Telecinco Company, forming part of the team that created the Legal Department and the Internal Audit Department of the company. In 2000 he was appointed Secretary of the Board of Directors and in 2003 General Secretary, a position in which he has represented Mediaset España in the main forums of the audiovisual sector. He is also responsible for the company's Corporate Responsibility and Governance. In December 2010, he was appointed Corporate General Manager. Mr. Rodríguez Valderas has represented Mediaset España Comunicación before the Administration and the different regulatory bodies, participating in the processes of drafting the different regulations that have disciplined the television and audiovisual sector. In addition, he is a member of the Advisory Council for Telecommunications, lecturer in Audiovisual Law at the Instituto de Empresa, Board member of the ACT (Association of commercial television in Europe) Vice-Chairman in UTECA (Free to air Commercial Television Organisation).</p>
<p>MR. PAOLO VASILE</p>	<p>Chief Executive Officer</p>	<p>He has an extensive professional career that began in cinema and later developed in television in his country of origin, Italy. Until he joined Telecinco in September 1998, he was the head of Mediaset's production centre in Rome and Deputy General Manager of Mediaset. Since 1999 he has been CEO of Telecinco, now Mediaset España. Since 2014, Paolo Vasile has been the sole CEO of the group for content management and advertising. In these almost 20 years at Mediaset España, he has led the team that has carried out the most important development of Telecinco, now Mediaset España, to place it among the most profitable companies in Europe and the leading audiovisual group in our country, currently comprising the television channels Telecinco, Cuatro, Factoría de Ficción, Divinity, Energy, Be Mad and Boing and their respective websites; the online content platform Mitele, the native video channel Mtmad, the film subsidiary Telecinco Cinema, the audiovisual news agency Atlas and the advertising marketer Publiespaña, among other investee companies. Among the most outstanding milestones in its trajectory is the development of a unique management model among audiovisual companies at national level, characterised by having the highest percentage of in-house production of all the operators in Spain, as a result of working with external production companies and subsidiaries. A model that has made its content a brand recognised by viewers, to whom Mediaset España offers all possible consumption options through the new platforms, offered by new technologies. .</p>

MR. MASSIMO MUSOLINO	General Manager of Operations	<p>Massimo Musolino holds a degree in Economics and Banking from the University of Siena and an MBA from the Business School of the University of Turin. In 1986, the current Managing Director of Mediaset España joined the company Sirio Group s.p.a. in Milan as "controller". In 1988 he joined Fininvest in the Planning and Control Department of Fininvest s.p.a., where he was in charge of various activities related to the television sector. In March 1994, he moved to Spain as Head of the Management Control Department of Gestevisión Telecinco S.A. In 1996, he was appointed Director of Operations and Control, a position he held until his appointment in 1998 as Deputy General Manager of Mediaset España. In January 2000, he returned to Italy to RTI, the company that manages the three TV channels of the Mediaset Group, as Deputy General Manager of Management. At the beginning of 2002 he returned to Spain, where he was appointed General Manager of Management and Operations of Telecinco, now Mediaset España, a position he currently holds. In July 2007 he was appointed CEO of Mediacinco Cartera, S.L. and Director of EDAM (a company controlled by Endemol BV), a position he held until May 2012. In December 2010 he was appointed Vice President and Director of Canal+ Spain until 8 July 2014. Since 9 April 2008, he is a member of the Board of Directors of Mediaset España Comunicación, S.A.</p>
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Total number of executive directors	3
Total % of the Board	25.00%

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder he represents or who has proposed his appointment	Profile
MS. GINA NIERI	MEDIASET SPA	<p>Holds a degree in Political Sciences from Pisa University and is specialized in Mass Communication and Journalism at Luiss University, Rome. She has been working in commercial television since 1977, firstly as Secretary General of FIEL, the first "free" broadcasters' association. She then joined FRT – the Federation of Radio and Television Operators – as Director remaining until 1990, when she joined the FININVEST GROUP as Manager for Relations with Trade Associations. Currently at</p>

		<p>MEDIASET S.p.A., she holds the position of Director of Institutional and Legal Affairs and Strategic Analysis. Since June 2007 she has been Deputy Chairman of R.T.I. S.p.A., and a board member since 1999. In April 2015 she was appointed as a member of Mediaset España Comunicación S.A.'s Board of Directors, a position she held since 1998 and is a member of the Executive Committee. She sits on the Board of Directors of Class CNBC S.p.A and Publitalia' 80 S.p.A. From 2000 to 2005 she was member of the Board of Directors of ALBACOM S.p.A representing Mediaset S.p.A.. She is a member of CONFINDUSTRIA RADIO TELEVISIONI's General Council and Advisory Board, as well as part of the Presidential Committee of the Master in Marketing, Digital Communication and Sales Management of Publitalia S.p.A.. Since 2019, she has held the position of Vice-President of CERRE (Regulation centre in Europe). She has participated and participates in working groups at the European Commission, on matters concerning protection of minors, also on the internet, pluralism of the media, and management of the radio spectrum. On 27 December 2012 she was awarded the title "Commendatore dell'Ordine al Merito della Repubblica Italiana" (Commander of the Order of Merit of the Italian Republic).</p>
MR. NICCOLÒ QUERCI	MEDIASET SPA	<p>Holds a Law degree from Siena University in 1986 and a Master's in Business Communication in 1988. Since 2007 he has been HR and Organisation Manager in the Mediaset Group and Vice-Chairman of Publitalia '80 S.p.A.; since late 2014, he has been Acquisition Manager. From 2006 to 2010 he was Chairman of Media Shopping S.p.A.. Since 2003 he has been R.T.I S.p.A.'s Managing Director of Human Resources, General Services and Security. Since 2001 he has been Vice-Chairman of R.T.I. S.p.A.; from 1999 to 2006 he was Director of artistic resources, productions, entertainment and sport and, until 2008, he was Manager for diversified and new business activities of the Group. From 1992 to 1999 he was Assistant and Secretarial Officer of Silvio Berlusconi, holding various organisational positions over the years. From 1989 to 1992 he was Key Account Manager, assistant to the Chairman and Chief Executive Officer of Publitalia '80, and from 1987 to 1988, Account Executive at P.T. Needham. He is also a board member of Mediaset S.p.A.</p>
MR. BORJA PRADO EULATE	MEDIASET SPA	<p>He studied Law at the Universidad Autónoma of Madrid. He furthered his professional training in the United States in International Relations and Foreign Trade at the University of New York and</p>

		<p>at the firm Philip Brothers. Here is a summary of his professional career:</p> <ul style="list-style-type: none"> - Chairman of Endesa (2009-2019) - Chairman of Fundación Endesa (2015-2019) - Chairman of Global Coverage of Mediobanca (2015-2018) - Chairman of Mediobanca for Iberia and Latinoamérica (2007-2014) - Vice-Chairman of Enersis (2013-2015) - Board member of Endesa and Endesa Chile (2007-2009) -Vice-Chairman of Lazard Asesores Financieros, S.A. (1999-2007) - Board member of Rothschild España (1995-1999) - Vice-Chairman of UBS in Spain (1989-1994) - Chairman of Almagro Asesoramiento e Inversiones (1987-2016) Fomento de Comercio Exterior (Focoex) (1980-1988). He currently holds the following positions: -Co-founder and Managing Partner of Peninsula Capital - Partner of Key Capital Partneres -Chairman of Grupo Español de la Comisión Trilateral - Board Member of Mediaset España Comunicación.
MR. FEDELE CONFALONIERI	MEDIASET SPA	<p>Holds a Law degree from Milan University, he is a member of the Advisory Board of Confindustria and Assolombarda. He is a Board Member of the Italian daily newspaper "Il Giornale", Chairman of Mediaset S.p.A. and of the Veneranda Fabbrica del Duomo in Milan, member of the General Council of Confindustria Radio Televisioni.</p>
MR. MARCO GIORDANI	MEDIASET SPA	<p>Holds an Economics and Business degree from Bocconi University, Milan. Since 2000 he has been Chief Financial Officer of the Mediaset Group. Since June 2008, he is a board member of Mediaset SPA and a member of the Executive Committee. He is Chairman of Monradio S.R.L., Radio Mediaset S.p.A. and Virgin Radio Italy S.p.A., Shopping S.p.A He is also Chief Executive Officer of R.T.I., and board member of Mediaset España Comunicación SA. Publitalia '80 S.p.A. and Medusa Film S.p.A. From 1998 to 2000 he was Head of the Investment Control department with IFIL S.p.A.; he was later appointed director and member of the Executive Committee of LA RINASCENTE S.p.A., as well as director of S.I.B. (Società Italiana Bricolage). In 1991 he became Finance Manager of the RINASCENTE Group and Chief Financial Officer in 1997.</p>

Total number of external proprietary directors	5
Total % of the Board	41.67

INDEPENDENT EXTERNAL DIRECTORS

Name or company name of director	Profile
MR. JAVIER DIEZ DE POLANCO	<p>Holds a law degree from Universidad Complutense of Madrid, Master in Legal Advice and Business Management (Instituto de Empresas BS), he is currently a director and Chairman of the Audit and Compliance Committee of Iberdrola México, board member of Timón, SL and Tropical Hoteles, SL.</p>
MS. CRISTINA GARMENDIA MENDIZÁBAL	<p>Holds a PhD in Biology, in Genetic speciality. She studied her PhD in Molecular Biology in the Doctor Margarita Salas laboratory, in the National Centre of Molecular Biology Severo Ochoa. She completed her education with an MBA from the IESE Business School of Navarra University. The following is a summary of her professional career: - Everis: Independent Director. Since 2016-June 2019 - Chairman of the Appointments and Remuneration Committee. Since 2013-2016 - Chairman of the Audit and Control Committee and since 2007-2008 - Chairman of the Appointments and Remuneration Committee (2007-2008 / 2012-2019) - Corporación Financiera Alba: Independent director, Chairman of the Appointments and Remuneration Committee and member of the Investment Monitoring Committee. (2013-2019) - Grupo Pelayo, Mutua de Seguros y Reaseguros: Independent Director, member of the Executive Committee and Chairman of the Investment Committee, from 2013 to 2016 she was Chairman of the Audit and Compliance Committee (2012-2019) - Expedeon (formerly Sygnis AG): Chairman of the Board. (Proprietary) (2012-2019) - Naturgy (formerly Gas Natural SDG): independent director and member of the Appointments and Remuneration Committee and member of the Audit Committee. (2015-2018) - Science & Innovation Link Office (SILO): Director. (Proprietary) (2012-2018) - Genetrix, S.L.: Joint Administrator. Since 2012-2017 - President and since 2001-2008 - President. (2017-2018) - Minister of Science and Innovation. IX Spanish Legislature. (2008-2011) - Association of Biotechnology Companies (ASEBIO). President (2005-2008) - Spanish Confederation of Business Organizations (CEOE). Member of the Board of Directors (2006-2008) - Amasua Group - Executive Vice President and Chief Financial Officer. (1990-2001) - Assistant Professor. Universidad Autónoma de Madrid. (1989-1990) Currently holds the following positions: - Caixabank: Independent Director and member of the Innovation, Technology and Digital Transformation Committee. - Mediaset España Comunicación, S.A.: Independent director and member of the Appointments Committee. - Compañía de Distribución Integral Logista Holdings, S.A.: Independent Director and member of the Audit and Control Committee (April 2015-April 2019 - Chairman of the Audit and Control Committee). - Satlantis Microsats, S.L.: Chairman of the Board. (Proprietary) - Ysios Capital Partners, SGECR : Director. (Proprietary) - Unicef Spanish Committee: Member of the Advisory Council - Fundación Cotec: Chairman of the Board of Trustees. - Fundación España Constitucional: Member of the Board of Trustees. - SEPI Foundation: Member of the Board of Trustees.</p>

<p>MS. CONSUELO CRESPO BOFILL</p>	<p>Holds a degree in Biological Sciences from Barcelona University, Master's in International Cooperation, Peace and Development within the United Nations framework Basque Country University. Her professional career is reflected in the positions she has held in various companies and institutions: - Chairwoman of UNICEF Basque Country 1993-2005. – Chairwoman of UNICEF Spain 2005-2014 - Member of the Governing Council of the University of Deusto 2001-2017 - Speaker in the Master's Degree in International Cooperation at the University of Barcelona, Basque Country, and Complutense of Madrid, 2000-2016 - Independent Director of ACCIONA S.A. and member of its Sustainability Committee 2008-2014. Independent director of the TUBACEX Group and member of its Appointments and Remuneration Committee 2009-2018. Board Member of Deusto Business School since 2014 and Member of its Permanent Committee since 2018. - Member of different awards juries for Social Corporate Responsibility 2003-16. Jury Member of the Principe de Asturias Awards for International Cooperation 2007-2010.- Patron of Oxfam Intermon since March 2014. Patron of Boscana Foundation since October 2015. Founder and Vice Chairwoman of the Circulo de Orellana Association since 2015. Patron of TUBACEX Foundation since 2016 -Member of the Advisory Board of the Princess of Girona Foundation since June 2017. From 2010 to 2014, she was among the TOP 100 women leaders in Spain and among the top 100 managers in the MERCO report on corporate reputation.</p>

Total number of independent directors	3
Total % of the Board	25.00

List any independent directors who receive from the company or group any amount or payment other than standard director remuneration or who maintain or have maintained during the period in question a business relationship with the company or any group company, either in their own name or as a significant shareholder, director or senior manager of an entity which maintains or has maintained the said relationship.

If applicable, include a statement from the board detailing the reasons why the said director may carry on their duties as an independent director.

Name or company name of the director	Description of relationship	Reasoned statement
No data		

OTHER EXTERNAL DIRECTORS

Other external directors will be identified and will explain why they cannot be considered as proprietary directors or independent directors and their links, whether with the company and its senior management or with its shareholders.

Name or company name of director	Reasons	Company, manager or Shareholder with whom maintains the link	Profile
MR ALEJANDRO ECHEVARRÍA BUSQUET	Mr. Echeverria holds this category because he held his position as independent director for a period of 12 years, after which he joined the group of other external directors.	MEDIASET ESPAÑA COMUNICACIÓN, S.A.	Born in Bilbao 1942, he holds a degree in Business Administration from the Technical College of San Sebastián (Deusto University). As Chairman of Mediaset España's (formerly Gestevisión Telecinco) Board of Directors, a position he has held since May 1996, Alejandro Echevarría is the head of the company and this professional stage also coincides with the most important development in the history of the company: for being a pioneer in implementing digital technology in television (drafting the Telecinco News 1998), for being courageous when facing the changes and evolution of content in line with the audience preferences, for having been effective when commercially managing through its subsidiary Publiespaña, for having carried out the most successful launch of a company on the stock in the sector. A combination of factors that have led to Telecinco being the most watched channel in Spain in the last five years and one of the most profitable networks across Europe. Before making his brilliant entry into the field of mass media, he held various management positions in automotive and appliance companies and it was from 1980 when he was appointed CEO of the El Correo Español - El Pueblo Vasco, a daily newspaper in which he undertook a major technological renovation and publishing plan, first becoming Grupo Correo (afterwards known as Grupo Correo-Prensa Española) and currently Grupo Vocento, one of the three leading multimedia groups in Spain with interests in national press (ABC) regional, radio, Internet and

			<p>audio-visual production. He is currently a board member of El Diario Vasco, El Diario Montañés and Diario El Correo newspapers and companies such as Endesa, and CVNE. He was also president of the Union of Commercial Television Partners (UTECA) until March 2011 a position he resumed in May 2016 to December 2018. He is patron of the Ayuda against Drug Addiction Foundation and Patron of honour of the Novia Salcedo Foundation. He is also the Vice Chairman of CONR (Socially Responsible Public Procurement Forum). He was previously a Board Member of the Broadcast Justification Office (OJD), Chairman of SAPISA (Independent Press Auxiliary Services), Colpisa Agency and the Association of Newspaper Editors of Spain (AEDE). He had also been Chairman of the Associate Editors for Independent Television S.A. (TEVISA) and he was a Board member of Antena 3 Television (1898-1994). He was also a Board member at the University of Deusto. His professional work has been recognized with several awards, among which are the Best Basque Businessman (1998), Best Business Management (Future magazine 1998), Company Value Award in Mass Media (Organizing Committee of Company Values, 2000), winner of Jaume de Cordelles (ESADE, 2001), Miguel Moya (APM 2009) and Ilustre de Bilbao (Bilbao City Council 2009), the Aster Communication award in 2013 and Ramon Rubial for his Professional Career in 2014.</p>
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Total number of other external directors	1
Total % of the board	8.33

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

Name or company name of the director	Date of change	Previous category	Current category
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No data			
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C.1.4 Complete the following table on the number of female directors over the past four years and their category:

	Number of female directors				% of total directors for each category			
	Year 2020	Year 2019	Year 2018	Year 2017	Year 2020	Year 2019	Year 2018	Year 2017
Executive					0.00	0.00	0.00	0.00
Proprietary	1	1	1		20.00	20.00	20.00	0.00
Independent	2	3	3	3	66.66	75.00	75.00	75.00
Other external					0.00	0.00	0.00	0.00
Total	3	4	4	3	25.00	30.77	30.77	23.01

C1.5 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

Should this be the case, describe these diversity policies, their objectives, the measures and way in which they have been applied and their results over the year. Also state the specific measures adopted by the Board of Directors and the Appointments and Remuneration Committee to achieve a balanced and diverse presence of directors.

In the event that the company does not apply a diversity policy, explain the reasons why.

Description of policies, objectives, measures and how they have been implemented, including the results achieved
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Among its objectives, Mediaset España has established the active promotion of diversity within the Company, its Group and its governing bodies, mainly in the Board of Directors and its delegated Committees.

Diversity is understood in its broadest sense, encompassing, in an exemplary and non-exhaustive manner, aspects such as age, gender, disability and professional training and experience.

The Company's commitment to diversity extends to the employees and collaborators as well as to the members of the Board of Directors, trying to promote equality and diversity in all areas of the Company.

Both the rules of governance and the internal procedures of Mediaset España and its Group, transversely guarantee the principle of diversity, thus guaranteeing its most effective promotion and compliance.

On 23 December 2020, the Board of Directors of the Company agreed to approve the Board of Directors' Diversity and Director Selection Policy, modifying the previous policy in order to adapt it to the Recommendations of the Good

Governance Code modified in June 2020 and to the principles of the Technical Guide 1/2019 on Appointment and Remuneration Committees.

The Board Diversity and Director Selection Policy, which aims to promote an appropriate composition of the Board of Directors, ensuring that proposals for the appointment or re-election of directors are based on a prior analysis of the skills required by the Board and favouring diversity of knowledge, experience, age and gender, all in a concrete and verifiable manner, is based on the following:

GENERAL PRINCIPLES

- Appropriate composition of the Board of Directors. The composition of the Board should be appropriate for the best performance of its functions, for which purpose the procedures for the selection of directors should be based on a prior analysis of the skills required by the Board of Directors.
- Active promotion of diversity on the Board and its Committees. Diversity shall be encouraged in the composition of the Board and its Committees, among other aspects, in terms of knowledge, experience, age and gender, promoting the necessary measures to ensure equal opportunities and ensuring that the procedures for the selection of candidates do not suffer from implicit biases that could imply any discrimination whatsoever.
- Transparency in candidate selection procedures. The procedures for the selection and appointment of directors of the Company shall be transparent, and their main conclusions shall be documented and included in the reports and proposals of the competent bodies, which must be made available to the shareholders at the General Meetings that will decide on their appointment, re-election or ratification.
- Compliance with applicable regulations and the principles of good corporate governance. The selection processes for directors of the Company shall be carried out in compliance with the legislation in force, the Articles of Association and other internal regulations of the Company, also taking into account the best practices of good governance in this area.

For this purpose, the following actions, among others, are carried out:

- Promoting measures to ensure equal opportunities and prevent any discrimination in the selection process of both members of the Board of Directors, its committees, as well as the workforce of the Company and its Group.
- Promotion of corporate strategies that allow for the training of female talent, promoting the development of activities aimed at achieving them.
- Periodic review of the activities carried out, so as to identify the potential weaknesses and points of improvement, in order to prevent, mitigate and correct their impact.
- Using the Mediaset España Group's audio-visual resources to raise awareness and sensitize the audience on the importance of respect and compliance with diversity.
- The commitment to respect and promote diversity and inclusion is extended to the chain of suppliers.

Without prejudice to the aforementioned, the Board of Directors of Mediaset and the Appointments and Remuneration Committee maintain a policy with respect to renewals on the Board of Directors based on the coordination of the principles of representativeness with those of diversity and independence, taking into account the recommendations of good governance. In this respect, particularly in relation to ratifications and re-elections, they ensure the appropriate stability in the composition of the Board of Directors and its Committees in order to maintain the necessary suitability of the Board of Directors as a whole, preserving the experience and knowledge of those who have held the position of Director.

C1.6 Explain the measures taken, if applicable, by the Appointments Committee to ensure that the selection processes are not subject to implicit bias that would make it difficult to select female directors, and to ensure the company makes a conscious effort to search for female candidates who have the required profile and to achieve a balanced presence of women and men. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Explain the measures

The Appointments and Remuneration Committee monitors the implementation of the diversity and selection Policy in the Board of Directors when board members are appointed, including in the corresponding report or proposal the reasons that justify why the candidate is appropriated-the selection of the candidate. In particular, for the purpose of promoting the diversity of gender, a list of women who meet all the requirements to be appointed as members of the Board of Directors of the Company has been provided.

In this regard, with the appointments approved by the General Meeting held in 2018, following the recommendations of the Appointments and Remuneration Committee, the number of female directors represented 30% of the total members on the Board of Directors; in 2020, Ms Helena Revoredo resigned and the vacancy has not been filled to date, with the percentage of female directors now standing at 25%.

On the other hand, the Policy establishes that, in order to promote gender diversity, the Company shall establish measures to encourage the Company to have a significant number of female senior directors, without prejudice to the essential criteria of merit and ability that must govern all recruitment processes of the Company and its Group.

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

Explain the reasons

Not applicable

C.1.7 Explain the conclusions reached by the appointments committee on the verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

Mediaset España is highly committed to the best practices of good corporate governance and, in particular, to the promotion of diversity concerning issues such as age, gender, training and professional experience. In this regard, the Board of Directors of the Company continues to work, with the support of the Appointments and Remuneration Committee, and to promote the necessary actions to favour an appropriate and diverse composition of the Board of Directors and its Committees.

In accordance with the above, the Appointments and Remuneration Committee, which periodically monitors compliance with the Board of Directors Diversity and Selection Policy, considers that the current composition of the Board of Directors is appropriate for the best performance of its duties, and reflects an adequate balance of the suitability and diversity requirements of the Board members, especially in terms of training, professional experience, skills, experience in the sector and knowledge of the Company and its Group, personal and business backgrounds its Group, personal and professional backgrounds, among others.

C.1.8 Explain, if applicable, the reasons why proprietary directors have been appointed upon the request of shareholders who hold less than 3% of the share capital:

Name or company name of the director	Justification
No data	

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 to directors or Board committees:

Name or company name of the director	Brief description
PAOLO VASILE	Joint CEO: he has been delegated all the powers legally and statutorily delegable.
MASSIMO MUSOLINO	<p>A) To undertake any type of act and execute any type of legal business or contract related to the activities that make up the corporate purpose of the Company, on all types of assets or rights, with the sole exclusion of the purchase and sale or encumbrance of real estate and the purchase and sale or subscription of shares or holdings in commercial companies. All these acts or businesses may be carried out and formalised, respectively, provided that, individually, they do not entail the assumption of economic or economically valuable obligations exceeding one million eight hundred and three thousand and thirty-six euros (1,803,036) for the Company. However, and particularly in relation to the activities listed below, the economic limit for each act, business or contract, individually considered, shall be three million five thousand sixty (3,005,060) euros: - To make and authorise payments, by any procedure permitted under Spanish law, of any amounts owed by the Company to all kinds of public and private persons, authorities, bodies, centres and hierarchies of the State, Autonomous Communities, provinces or municipalities. - Make transfers between bank accounts held by the Company, as well as to any other account held by any of the companies that form part of the Company. - To issue, accept, endorse, negotiate, discount and pay bills of exchange, promissory notes payable to order and all kinds of giro instruments as well as any other documents payable to order. - To open, hold, monitor, use, manage, operate and cancel current accounts, credit accounts and lines of credit, in any kind of credit or savings institution, bank, including the Bank of Spain, Institutes and Official Bodies, withdrawing amounts, signing cheques, transfer orders, approving account statements, constituting and withdrawing deposits, guarantees and carrying out, in said institutions, any banking operations included in the Articles of Association and Regulations of such institutions. B) To appear as legal representative of the Company before any Public</p>

	<p>and Private Bodies, in all types of acts, trials and proceedings, being able, therefore, to answer interrogations and testify in court. To contract artists in exchange for a fee never exceeding the sum of three million five thousand sixty euros (3,005,060 €)</p> <p>(ii) To enter into all types of contracts necessary for the production of television programmes and the acquisition of intellectual, industrial or image rights relating to any audiovisual works and persons up to a maximum limit of three million five thousand sixty (3,005,060) euros, this being understood to be any audiovisual work that is made up of more than two programmes or episodes related to each other. This operates in relation to the total budget of each programme or series and therefore includes not only the services of the contracting party but also those of Mediaset España Comunicación, SA.</p>
<p>MARIO RODRÍGUEZ VALDERAS</p>	<p>- Appear as a legal representative before all kinds of authorities, Courts, Tribunals, Magistrates, Public Prosecutors, Juries, Committees, Notaries, Registries, Offices, Centres, Subordinate Offices, Provincial offices, Ministries, Autonomous Communities and Bodies, Provinces or Municipalities, Councils and appear before whomever and however it corresponds, of any kind, sector and Jurisdiction; appear in all kinds of lawsuits, proceedings, files, whether they are civil, including universal, voluntary and necessary probate, insolvency, bankruptcy, suspension of payments, fees, trade union, tax inspection or tax administration, employment or social, agricultural, industrial or residential, as plaintiff, defendant, private plaintiff, intervener or in any capacity whatsoever; answer interrogations and testify in court; to conduct the case, process, file and trial through its specific procedures, natural incidents or incidences, appeals, including the petition for review, as well as the reconsideration appeal, gubernativo (a specific non judicial administrative appeal), notorious injustice appeal (injusticia notoria), second instance appeal, cassation appeal and any others, even before the Supreme Court and the Constitutional Court, all until an order, judgement or final decision is issued and enforced; to appoint lawyers and party agents (procuradores) of the Courts, with the powers which are usually granted in printed powers of attorney for lawsuits; the same in matters of non-contentious proceedings; to commission notary requests and notifications and answer them and do whatever is most convenient or necessary for the effectiveness, guarantee, conservation and defence of the assets, rights and interests of the Company; to grant powers of attorney with permanent powers for specific matters or specific functions, including that of managers, granting the necessary delegations and powers of attorney for this purpose. - To apply for certificates from the Fábrica Nacional de Moneda y Timbre-Real Casa de la Moneda, in order to obtain the status of holder of the systems for communication and provision of data relating to declarations via electronic, computer and telematic techniques and means, in accordance with Annex VI of the Order of 24 April 2000 and, likewise, to carry out all acts and formalities that may be necessary to obtain from the competent bodies all the</p>

qualifications, authorisations and titles necessary to be able to file tax returns through electronic, computer and telematic techniques and means by virtue of the aforementioned Order. Likewise, and in accordance with Law 59/2003 of 19 December and all other complementary regulations or laws, to request and manage as many public and/or private documents as are necessary or convenient for obtaining the Electronic Certificate of Legal Entities (CPJ) from the corresponding certifying authority in order to submit all types of documents, forms, applications for grants and subsidies via the "Internet"; to use the Electronic Certificate of Legal Entities (CPJ) before any public or private, state and/or regional body for the sending and submission of all types of public and/or private documents, forms, applications, subsidies, etc. via the Internet. Sign and monitor correspondence; make and collect money orders and shipments, to pursue claims for losses, deficiencies or damages and negotiate and agree the corresponding compensations ; enter into, resolve, modify or terminate contracts for supplies and execution of works. - To recognise, accept, claim and collect any debts and credits for capital, interest, dividends and amortisations; to sign payment receipts, receipts, balances, approvals or slips, in relation to any person or public or private entity, including the State, Autonomous Communities, Province or Municipality, and, in particular, Tax Offices, where these powers will extend to making collections, payments, payments into Courts, accepting settlements, contesting them, collecting orders of payment, tax relief or other concepts, paying taxes and municipal taxes, appeal against the tax settlements made and collect the amounts that may result from the filed appeals. - Represent the Company in all companies in which it has a shareholding or corporate interest, as well as in the joint ventures to which it participates, and attend their shareholders' meetings and meetings of the Board of Directors or body acting on its behalf, with the power to adopt and approve agreements; claim coupons, dividends, interest, salaries and corporate benefits and modify or dissolve, extend and liquidate the aforementioned Companies, Joint Ventures, Groupings or Temporary Partnerships. - Apply to any national or foreign Industrial and Intellectual Property Offices and Registries for the registration and granting of patents, utility models, industrial models, trademarks and, in general, all kinds of industrial and intellectual property rights, including domain names and rights for the use of networks and information systems. To empower and appoint Industrial and Intellectual Property Agents, both national and foreign, for the processing, management, application and granting of all kinds of Intellectual and Industrial Property rights. To acquire patents, utility models, industrial models, trademarks, licences, know-how and, in general, all kinds of industrial and intellectual property rights. This power extends to domain names and Internet access portals, and any communications, other networks and data transmission and electronic commerce environments that may be developed in the future.

EXECUTIVE COMMITTEE	It holds all the powers inherent to the Board, except those that cannot be delegated by law and the Articles of Association.
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C.1.10 Identify, where appropriate, 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 the director	Company name of the group entity	Position	Does the director have executive powers?
MR MARIO RODRÍGUEZ VALDERAS	Publiespaña, SAU	Secretary to the Board of Directors	NO
MR MARIO RODRÍGUEZ VALDERAS	Grupo Editorial Tele5, SAU	Secretary to the Board of Directors	NO
MR MARIO RODRÍGUEZ VALDERAS	Advertisement 4 Adventure, SLU	Secretary to the Board of Directors	NO
MR MARIO RODRÍGUEZ VALDERAS	Producción y Distribución de Contenidos Audiovisuales Mediterráneo, SLU	Secretary to the Board of Directors	NO
MR MARIO RODRÍGUEZ VALDERAS	Mediacinco Cartera, SLU	Secretary to the Board of Directors	NO
MR MARIO RODRÍGUEZ VALDERAS	Grupo Audiovisual Mediaset España Comunicación, SAU	Secretary to the Board of Directors	NO
MR PAOLO VASILE	Producción y Distribución de Contenidos Audiovisuales Mediterráneo, SLU	Chairman and CEO	YES
MR PAOLO VASILE	Publiespaña, SAU	CEO	YES
MR PAOLO VASILE	Grupo Editorial Tele, SAU	Chairman	NO
MR PAOLO VASILE	Telecinco Cinema, SAU	Chairman	NO
MR PAOLO VASILE	Conecta 5 Telecinco, SAU	Chairman	NO
MR PAOLO VASILE	Grupo Audiovisual Mediaset España Comunicación, SAU	Chairman and CEO	NO
MR MASSIMO MUSOLINO	Publiespaña, SAU	Board Member	NO
MR MASSIMO MUSOLINO	Grupo Editorial Tele5, SAU	CEO	YES

MR MASSIMO MUSOLINO	Telecinco Cinema, SAU	CEO	YES
MR MASSIMO MUSOLINO	Conecta 5 Telecinco, SAU	Board Member	NO
MR MASSIMO MUSOLINO	Advetisement 4 Adventure, SLU	Chairman	NO
MR MASSIMO MUSOLINO	Mediacinco Cartera, SLU	Chairman and CEO	YES
MR MASSIMO MUSOLINO	Producción y Distribución de Contenidos Audiovisuales Mediterráneo, SLU	Board Member	NO
MR MASSIMO MUSOLINO	Grupo Audiovisual Mediaset España Comunicación, SAU	Board Member	NO

C1.11 List any directors or representatives of legal-person directors of your company who are members of the Board of Directors or representatives of legal-person directors of other companies listed on regulated markets other than group companies of which the company has been informed:

Name or company name of director	Company name of the listed entity	Position
MS CRISTINA GARMENDIA MENDIZÁBAL	Compañía de Distribución Integral Logista Holdings, SA	BOARD MEMBER
MS CRISTINA GARMENDIA MENDIZÁBAL	Caixa Bank, SA	BOARD MEMBER
Mr ALEJANDRO ECHEVARRÍA BUSQUET	Endesa, SA	BOARD MEMBER

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

No

Explanation of rules and identification of the document where it is regulated

In compliance with the recommendations of the Spanish National Securities Commission (Comisión del Mercado de Valores) included in the Unified Good Governance Code, the Board of Directors of Mediaset España has certain rules regarding the number of directorships its board members can hold to ensure that they dedicate the appropriate amount of time and effort to carryout their duties effectively.

In this respect, the Board of Directors has different rules according to the type and characteristics of each category of director. The rules are more restrictive for executive and proprietary directors. The number of directorships they can hold is lower than that of other classes of directors, as is the number of directorships they can hold in other Mediaset Group companies.

With regard to the rules applicable to independent directors, their participation on other Boards of Directors is associated with the status they hold on such Boards, differentiating whether they are proprietary, executive or independent, with the limits varying according to such status.

It also establishes the directors' commitment to notify Mediaset España of any appointment or modification with respect to the information that has been notified to the Company as soon as possible.

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)	5,705
Amount of pension rights accumulated by directors currently in office (thousands of euros)	
Amount of pension rights accumulated by former directors (thousands of euros)	

C.1.14 Identify any senior managers who are not also executive directors and the total remuneration they have earned during the year:

Name or Company Name	POSITION(S)
MR SALVADOR FIGUEROS HERNÁNDEZ	Marketing Manager
MR ANGEL JUAN PABLO LÓPEZ	Commercial Manager
MR JAIME GUERRA GONZÁLEZ	Production Division Manager
MR LÁZARO GARCÍA HERRERO	Commercial Manager
MR LEONARDO BALTANÁS RAMÍREZ	Production Division Manager
MR JUAN PEDRO VALENTÍN PADÍN	News Division Manager
MS PATRICIA MARCO JORGE	Antena Division Manager
MS MIRTA DRAGOEVICH FRAERMAN	Communication and External Relations Division Manager
MS CRISTINA PANIZZA MIEZA	Sale Service Operations Manager
MR PEDRO MARÍA PIQUERAS GÓMEZ	Telecinco's News Division Manager
MR ALVARO AUGUSTIN REGAÑÓN	Telecinco Cinema's General Manager
MR FRANCISCO JAVIER URÍA IGLESIAS	Economy and Financial Division Manager
MR JOSÉ LUIS VILLAGRE	Agencies Manager

MR MANUEL VILLANUEVA DE CASTRO	General Content Manager	
MR FRANCISCO ALÚM LÓPEZ	Publiespaña's General Manager	
MR ÁNGEL SANTAMARÍA BARRIO	Internal Audit Manager	
MR EUGENIO FERNÁNDEZ ARANDA	Technology Division Manager	
MR GHISLAIN BARROIS	Cinema, Sales, Right Aquisition and Distribution Division Manager	
MR GIUSEPPE SILVESTRONI	Production Division Manager	
Number of women in senior management		3
Percentage of total senior management		15.79

Total remuneration of Senior Executives (in thousands of euros)	8,461
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C.1.15 State whether there has been any modification to the Board of Directors Regulations during the year:

YES

NO

Describe the modifications

During 2020, several articles of the Board of Directors' Regulations have been amended in order to adapt them to the partial amendment of the CNMV's Code of Good Governance of June 2020 (also in line with the Technical Guide 1/2016 on good practices for the implementation of the "comply or explain" principle) and, in line with this, Circular 1/2020, 6 October, which modifies the models of the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as well as incorporating some specific modifications derived from other regulations in force (including the Spanish Corporate Enterprises Act).

The articles and amendments made are essentially the following:

- Amendment of article 6 "Powers of the Board of Directors" to adapt the wording to the requirements of the new wording of Recommendations 4 and 14 of the Good Governance Code of June 2020, also in line with the provisions of article 540.4.c) 6º of the Spanish Corporate Enterprises Act (LSC), as amended by Law 11/2018 and Technical Guide 1/2019 of the CNMV on appointments and remuneration committees, and to complete it in accordance with the provisions of article 529 ter.1. .j) of the Spanish Corporate Enterprises Act, as amended by Law 11/2018.
- Amendment of article 13 "Resignation and removal of Directors" to adapt the wording to the requirements of the new wording of Recommendations 22 and 24 of the Good Governance Code of June 2020, and in relation thereto articles 32 ("Duty of Care") in section 2.g), and 35 ("Duty to Notify") in section 2.
- Amendment of article 19 "Executive Committee" to adapt the wording to the requirements of the new wording of Recommendations 37 and 38 of the Code of Good Governance of June 2020.
- Amendment of article 21 "Audit and Compliance Committee" to adapt the wording to the requirements of the new wording of Recommendation 42.1.a) of the Code of Good Governance of June 2020.
- Amendment of article 22 "Appointments and Remuneration Committee" to adapt the wording to the requirements of the new wording of Recommendation 14 of the Good Governance Code of June 2020 and the CNMV's Technical Guide 1/2019 on appointments and remuneration committees.
- Modification of article 38 "Website" to adapt the wording to the requirements of the new literal wording of Recommendation 18 of the Good Governance Code of June 2020, as well as to the provisions of articles 226 and 227 of the Securities Market Act.

- Amendment of article 40 "Stock Market Relations" to adapt the wording to the provisions of article 226 of the Securities Market Act, the Recommendation 42.1.a) of the Good Governance Code of June 2020 and to article 49.6 of the Commercial Code and article 529 ter.1.j) of the the Spanish Corporate Enterprises Act, in the wording given by Law 11/2018.

- Amendment of article 41 "Relations with the External Accounts Auditor" to adapt the wording to the requirements of the new wording of Recommendation 8 of the Good Governance Code of June 2020.

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.

Thus, proposals for the appointment of directors are preceded by the corresponding report from the Appointments and Remuneration Committee. When the Board departs from the recommendations of the Appointments and Remuneration Committee, it must state its reasons for doing so and record its reasons in the minutes.

In this regard, the Board of Directors and, within the scope of its powers, the Appointments and Remuneration Committee shall endeavour to ensure that the proposals of candidates submitted to the General Meeting, and the appointments it makes to directly fill vacancies in exercise of its co-option powers, are individuals of recognised solvency, competence and experience, especially in the case of independent directors. In any event, a description of the professional experience of the candidates is required, emphasizing the circumstances that justify their appointment as independent.

The Board of Directors shall assure that external directors represent a majority over executive directors, and further that the Board includes a reasonable number of independent directors. It shall likewise assure that the majority group of external directors includes independent directors and proprietary directors. The final decision to appoint and remove directors' rests with the General Shareholders' Meeting, ensuring appointment by the proportional system described in the Corporate Enterprise Act, at the proposal of the Board of Directors and subject to a report and advice from the Appointments and Remuneration Committee. There are no reinforced majorities in Mediaset España's Articles of Association.

Removal of directors:

In addition to cases set by law, directors shall tender their resignation to the Board of Directors in the cases listed in section C.1.19 below of this report.

In this case, the competent bodies and procedures are similar: removal begins with the Appointments and Remuneration Committee, then the Board of Directors steps in and finally the matter is taken to the General Shareholders' Meeting.

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

Describe the modifications

The Board of Directors' self-assessment procedures, Audit and Compliance Committee, and the Appointments and Remuneration Committees were carried out in 2020, as in previous years. As in previous years, the self-assessment procedure was devised by the Appointments and Remuneration Committee, based on the preparation of a questionnaire responded to by the Board members.

The annual evaluation process of the Board of Directors has not led to significant changes due to the improvement process that has been carried out for several years.

Describe the evaluation process and the areas evaluated by the board of directors assisted, where applicable, by an external consultant, regarding the operation and composition of the board and its committees and any other area or aspect that has been subject to evaluation.

Description of the evaluation process and areas evaluated

The annual evaluation of the Board of Directors and the Company's Committees is added to the one that has been carried out on Mediaset España's CEO, thus complying with the legal regulations and with the recommendations of corporate governance. All the directors participated in the evaluation.

The Appointments and Remuneration Committee supervised the preparation of a yearly self-evaluation form for the Board of Directors and its Committees.

This was proposed by the Board of Directors for approval, and subsequently, was shared with each and every board member for completion during a period granted for that purpose.

After completion, the form was sent to the Secretary to the Board of Directors who, based on the evaluations reflected in each of the forms, prepared a final report which revealed all the Board member evaluations as well as comments on any issues they had deemed convenient.

In order to define the points that were to be evaluated, a selection was made of the main aspects related to the functioning of the Board of Directors, to which a valuation system has been applied. In this regard, and in relation to the Board of Directors, up to a total of 12 different points related to its operation have been evaluated.

The scheme followed for Committee evaluations is similar to that for Board meetings: key points were defined and rated with regard to how meetings are carried out and function, as well as roles performed.

In regard to the evaluation of the Company's CEO, as in previous years, the Appointments and Remuneration Committee was responsible for evaluating his performance.

C1.18 Breakdown, those years in which the evaluation has been assisted by an external consultant, the business relationships that the consultant or any company of its group maintains with the company or any company of its group.

The Board of Directors' evaluation carried out in 2020 was assisted by an external consultant with whom the Mediaset Group has no business relationship.

C.1.19 Mention the circumstances in which directors are required to resign.

Directors shall tender their resignation to the Board of Directors and the Board shall accept their resignation if deemed appropriate in the following situations:

- (a) When they reach 85 years of age. Their removal as director and resignation from their position shall occur during the first meeting of the Board of Directors held after the General Shareholders' Meeting which approves the financial records for the financial year in which the director reaches said age.
- (b) When they have been removed from the executive positions associated with his appointment as director.
- (c) When they are affected by any of the applicable conflicts of interest or prohibitions.
- (d) When the Appointments and Remuneration Committee issues a serious warning for infringing their obligations as directors.
- (e) When their continuation on the Board may directly, indirectly, or through persons associated with them jeopardize the loyal and diligent exercise of their duties or when situations arise that affect them, whether or not related to their actions in the Company, that might exert a negative effect on Mediaset España's credit and reputation.
- (f) When the shareholder they represent sells its entire shareholding in Mediaset España or reduces its shareholding in Mediaset España below the corresponding threshold; in the latter case, the number of resignations shall be proportional to the reduction in the shareholding.

Should a natural person representing a legal person as Board member find themselves in any of the situations set forth in Section 3, he/she will be removed from the position.

The Board of Directors may propose the termination of any independent director before expiration of the term of office established under the Articles of Association only where there exists reasonable cause; reasonable cause shall be deemed to exist where a director fails to comply with the duties inherent to its position or falls under any of the grounds contemplated in the Regulations which prevent it from being appointed independent director.

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

YES

NO

If applicable, describe the differences.

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

C.1.22 Indicate whether the Articles of Association or the Board regulations set any age limit for directors:

YES

NO

	Age limit
Chairman	85
CEO	85
Board members	85

It is noted that in the cases discussed, the Directors must offer their resignation to the Board of Directors, it being for the latter to consider the convenience of formalising the resignation.

C.1.23 Indicate whether the Articles of Association or the regulations of the Board establish a limited term of office or other more stringent requirements additional to those legally established for independent directors, other than those established in the regulations:

YES

NO

C.1.24 Indicate whether the Articles of Association or Board regulations stipulate specific rules on appointing a proxy to the Board in favour of other board members, the procedures thereof and, in particular, the maximum number of proxy appointments a director may hold, as well as any limits established with regard to categories which may be delegated beyond legally-imposed limitations. If so, give brief details.

Article 25 of the Board of Directors' Regulations establishes that its members must make every attempt to attend its meetings. Those who cannot do so personally must endeavor to ensure representation by another board member. Representation must be granted in writing and specifically for each session, including the respective instructions, and be communicated to the Chairman or Secretary by any method possible ensuring its reception; a board member may simultaneously represent several others at once. In any event, non-executive Directors may only be represented by another non-executive Director.

C.1.25 Indicate the number of meetings held by the Board of Directors during the year. Also indicate, if relevant, the number of times that the Board has met without the presence of the Chairman. Attendance will also include proxies appointed with specific instructions.

Number of Board meetings	13
Number of Board meetings from which the Chairman has been absent	0

Indicate the number of meetings held by the coordinating director with the rest of the directors, without the assistance or representation of any executive director.

Number of meetings	0
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Indicate the number of meetings held during the year by the various Board committees:

Number of Audit and Compliance Committee meetings	6
Number of Appointments and Remuneration Committee meetings	3
Number of Executive Committee meetings	2

C.1.26 Indicate the number of board meetings held during the year and the data regarding directors attendance.

Number of meetings in which at least 80% of directors were present in person	11
Attendance in person as a % of total votes during the year	94.90
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	9
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	98.10

C.1.27 Indicate whether the individual and consolidated financial statements submitted to the Board for formulation are previously certified:

YES

NO

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

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

Mediaset España has a number of mechanisms in place to avoid presenting a qualified audit report on the individual and consolidated financial statements that affect all levels of the Company. The Economic and Finance Division is responsible for preparing Mediaset's and the Mediaset Group's separate and consolidated annual accounts and financial statements, disclosures and individual information.

The next control mechanism entails preparatory meetings with Mediaset's external auditor to report on the status of review work if there has been an incident, if information is required, etc. These meetings are attended by the independent directors on the Audit and Compliance Committee, the Chief Operating Officer, the Finance Director, the Consolidation Director, the Corporate General Manager and the Managing Director of Internal Audit.

Finally, the Audit and Compliance Committee reviews and oversees all the information to ensure compliance with legal obligations and the correct application of Spanish and International Financial Reporting Standards in order to anticipate any discrepancy with the statutory auditor.

In line with this procedure, the Audit and Compliance Committee held six meetings in 2020, one each quarter for the preparation of the annual, quarterly and semi-annual financial statements.

Before concluding this section, it should be noted that Mediaset España's individual and consolidated financial statements have been prepared and approved without any qualifications since they were first audited in 1996.

C.1.29 Does the Secretary of the Board have the status of director?

YES

NO

If the Secretary is not a Board member, complete the following table:

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.

The independence of Mediaset and its Group's auditor is guaranteed by means of the control and follow-up conducted by the Audit and Compliance Committee and ultimately by the Board of Directors.

The regulations of the Audit and Compliance Committee establish the following functions for this committee:

- Proposing to the Board of Directors the auditor's appointment, hiring conditions, duration of professional activities and termination or non-renewal of its appointment.
- The Committee also acts as the communications channel between the auditor and Mediaset. If necessary, it shall be in charge of receiving information on issues which may endanger its independence, though this has not occurred to date.
- Authorise the contracts between the auditor and Mediaset España that are unrelated to the audit activity of the accounts and do not propose the appointment of any audit firm when (i) it is found to be in any case of incompatibility in accordance with the legislation on auditing or (ii) the fees Mediaset España foresees to satisfy the auditor are greater than five (5) percent of its total income during the last year.

It should be noted that before issuing its report, the statutory auditor of Mediaset España and its Group issues a statement of independence relative to the company and/or related parties, along with a report on any additional services of any kind it provides. This statement of independence is signed by all members of the audit team involved in the process and is presented to the Audit and Compliance Committee.

Mechanisms to preserve the independence of financial analysts, investment banks and rating agencies.

Mediaset's relations with financial analysts, investment banks and rating agencies is centralized in the Investor Relations Department, which ensures that information disclosed to the markets is transparent and unbiased.

To do so, a number of communication channels have been established to guarantee that information on the Company is disseminated promptly and without discrimination. This includes publication on the website of quarterly earnings and any events affecting the Company's performance; personalised service by the Investor Relations Department; possibility to contact the Company by phone or e-mail; on-site presentations (road shows) or via internet.

Likewise, after any earnings release the Company's senior managers give a presentation, which can followed by shareholders, institutional investors and analysts in real-time through a conference call and/or webcast. Conference calls are recorded and available on the Company's website in the investor relations section for a period of three months following the event.

All information about Mediaset España is available to anyone on the Company's website (<http://www.telecinco.es/inversores/es/>) in Spanish and English.

C.1.31 State whether, during the year, the Company has changed its external auditor. If yes, identify the outgoing and incoming auditor:

YES

NO

In the event that there were disagreements with the outgoing auditor, explain the content thereof:

YES

NO

C.1.32 State whether the audit firm performs non-audit work for the Company and/or its Group and, if so, mention the fees paid for such work in absolute figures and as a percentage of the total fees charged to the Company and/or its Group for audit works:

YES

NO

	Company	Group	Total
Cost of non-audit work (in thousands of euros)	43	0	43
Cost of non-audit work / Cost of audit work (in %)	25.75	0.00	14.14

C.1.33 State whether the audit report on the financial statements for the previous year shows qualifications. If yes, state the reasons provided to the shareholders in the AGM by the Chairman of the Audit Committee explaining the contents and scope of these qualifications.

YES

NO

C.1.34 Indicate the number of consecutive years during which the current audit firm has been auditing the individual an/or consolidated financial statements of the company. Likewise, indicate for how many years the current firm has been auditing the financial statements as a percentage of the total number of years over which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	4	4

	Individual	Consolidated
Number of years audited by current audit firm/Number of years the company's financial statements have been audited (%)	16.66	16.66

C.1.35 State whether there is any procedure for directors to receive the information they need to prepare for meetings of the Board and its committees in good time:

YES

NO

Detail of the procedure

Prior to year end, the Secretary must send all the Board members a calendar of meetings featuring the Agendas for the Board of Directors' meetings and other Committee meetings to be held during the following year. From this point onward, Board members commence the procedures described in Article 29 of Board of Directors' Regulations. In addition, the Secretary sends the agenda with the items to be dealt with to the directors by e-mail.

The procedure, now guaranteed by the direct oversight of the Chairman, begins with the meeting notice itself: Article 24 of Board of Director's Regulations establishes that the notice will always include the agenda for the meeting with the relevant information attached, duly prepared and summarized. The notice and relevant information will be sent at least five (5) days prior to the date of the meeting. In discharging his duties, the Chairman shall coordinate with the Secretary the preparation and dispatch of the agenda to all directors.

Likewise, Article 29 of Board of Director's Regulations further amplifies the directors' right to receive not just information referring to the agenda of the meeting of the board, but any aspect relating to Mediaset España, including examining its books, records, documents and other background to Company operations. The possibility of inspecting the facilities, as well as communicating with the Company's management at any time is also included.

The mechanisms to exercise the said powers shall be channelled through the Chairman, the Chief Executive Officer or the Secretary of the Board of Directors, who shall satisfy the requests by directly providing the information, offering the appropriate interlocutors at the organizational level or arbitrating the measures, so that the desired examination and inspection can be performed in situ.

The procedures intended to guarantee that the directors receive information in a timely manner are clearly established in the Regulations. Additionally, the directors' general obligations include being aware of Mediaset's performance and adequately preparing the Board of Directors' meetings and the meetings of the committees in which they participate.

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 credit and reputation, tendering their resignation where appropriate. If so, provide details:

YES

NO

Explain the rules

Articles 32 and 35 of the Board of Directors' Regulations require members to inform the Company of any criminal investigations brought against them, and to provide status updates.

Also, situations in which board members must step down include those in which their continuation on the Board may directly, indirectly or through persons associated with them jeopardise the loyal and diligent exercise of their duties and when situations arise that affect them, whether or not related to their actions in the Company itself, that might exert a negative effect on Mediaset España's credit and reputation.

The Board of Directors, once informed or been aware otherwise of any of the aforementioned circumstances in the previous paragraph, shall review the case as soon as possible and, attending to the particular circumstances, shall resolve, following a report by the Appointment and Remuneration Committee, whether or not to adopt any measures, such as opening an internal investigation, calling on the director to resign or proposing his or her dismissal. This information shall be disclosed in the Annual Report of Corporate Governance, unless there are special circumstances that justify otherwise, which must be recorded in the minutes, without prejudice to the information that the Company shall disclose, if appropriate, at the time it adopts the corresponding measures.

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 credit and reputation:

[] YES

[v] NO

C.1.38 List the significant agreements entered into by the company which come into force, are amended or terminate in the event of a change of control of the company due to a takeover bid, and their effects.

There are currently no agreements regarding a change of control of Mediaset due to a takeover bid.

C.1.39 Identify individually, when referring to directors, and in aggregate in the rest of cases and indicate, in detail, the agreements between the company and its management and management positions or employees that provide compensation, guarantee clauses or shielding, when they resign or are unfairly dismissed or if the contractual relationship comes to an end due to a public offer of acquisition or other type of operations.

Number of beneficiaries	9
Type of beneficiaries	Description of the agreement
1.- Executive Director	1.- Executive Director – Mr. Massimo Musolino: Indemnity Regime: a) Voluntary redundancy: accrual per year: Fixed salary + bonus /13.5, the total remuneration is the sum of the number of years worked. b) Termination by fair or unfair dismissal: legal remuneration + remuneration in point a). In the event of any change in the Company's current ownership / control (direct or indirect), and in cases of wrongful dismissal, collective dismissal or dismissal on objective grounds, termination of the Director General's contract for the causes foreseen in articles 39, 40, 41, and 50 of the Estatuto de los Trabajadores (Spanish employment law), two annuities equivalent to their gross remuneration. 2- Executive Director – Mr. Mario Rodríguez Valderas: Inemnity Regime: In the event of any change in the current ownership/control (direct or indirect) of the Company, and in the event of wrongful dismissal, collective dismissal or dismissal on objective grounds, termination by the General Director for reasons provided for in Articles 39, 40, 41 and 50 of the Estatuto de los Trabajadores (Spanish employment law): two annuities of gross remuneration.

Indicate if, beyond the cases stipulated in the regulations, these contracts have been communicated to and/or approved by management bodies of the company or the Group. If so, specify the procedures, events and nature of the bodies responsible for their approval or for communication:

	Board of Directors	AGM
Body authorising clauses		

	Yes	No
Is the General Shareholders' Meeting informed of such clauses?		√

The indemnity clauses of the executive directors are subject to the approval of the General Shareholders' Meeting as they are included in the remuneration policy and in the Directors' Remuneration Report.

Contracts of executive directors are approved by the Board of Directors.

C.2. Board committees

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:

AUDIT AND COMPLIANCE COMMITTEE		
Name	Position	Category
MR JAVIER DIEZ DE POLANCO	CHAIRMAN	Independent
MS CONSUELO CRESPO BOFILL	MEMBER	Independent
MR FEDELE CONFALONIERI	MEMBER	Proprietary
MR MARCO GIORDANI	MEMBER	Proprietary
MS CRISTINA GARMENDIA MENDIZÁBAL	MEMBER	Independent
% of executive directors	0.00	
% of proprietary directors	40.00	
% of independent directors	60.00	
% of other external directors	0.00	

Explain the functions, including, if applicable, any additional functions to those legally established, attributed to this committee and describe the rules and procedures it follows for its organisation and functioning. For each one of these functions, indicate their most important actions throughout the year and how, in practice, they have exercised each of the functions attributed thereto by law, by the Articles of Association or by other corporate resolutions.

The Audit and Compliance Committee: It meets at least once a quarter and one of its meetings is aimed at evaluating the efficiency and compliance with the rules and procedures governing Mediaset España and preparing the information to be approved by the board of directors. Its powers cover different supervisory areas for the company:

(i) Regarding the Auditor: The statutory auditor is the body in charge of proposing an audit firm, and must ensure independence, mediate as a communication channel with the governing body should discrepancies arise, verify that prevailing audit regulations are met, authorize audit contracts beyond the scope of audit activity, while also verifying that the CNMV is communicated regarding changes in auditors.

(ii) Regarding financial and non-financial information: It also ensures that annual and periodical financial information complies with legal requirements, to encompass financial statements, such as the periodical public information which must be communicated to authorities and markets.

(iii) With regard to Internal Control and relationships with the Internal Audit Department: as the body responsible for the proper functioning of the Department it must propose the selection and appointment of its Head, ensure that the Audit Department carries out its functions with total independence, approve the Annual Internal Audit Plan, as well as any other plan that is necessary for organizational needs; this also involves overseeing that the different departments comply with the different Internal Audit Department recommendations. It must inform the Board of Directors regarding areas of potential risk for Mediaset España or its Group, as well as to review compliance with actions and measures resulting from inspection reports or actions of the administrative supervisory and control authorities.

(iv) in relation to the risk control and management policy: it is the body in charge of supervising and controlling said policy. A description of the risk management systems of Mediaset and its Group is described in section E.- of this Report

The activities carried out by the Audit and Compliance Committee during the year 2020 are grouped into five categories: (i) Economic-financial and non-financial information, (ii) External Audit, (iii) Internal Audit - Annual Plan, (iv) Corporate Governance Standards, (v) Risk Control and (vi) Others.

For more information about the functions and activities carried out by the Audit and Compliance Committee, consult the Regulations at the following link: <http://www.telecinco.es/inversores/es>.

Identify the board members of the audit and compliance committee appointed taking into account his/her knowledge and experience regarding accounting, auditing, or both matters, and also indicate the date of appointment as Chairman of the Committee.

Name of Board Member with experience	MR JAVIER DIEZ DE POLANCO / MS CONSUELO CRESPO BOFILL / MR FEDELE CONFALONIERI / MR MARCO GIORDANI / MS CRISTINA GARMENDIA MENDIZÁBAL
Date of appointment as Chairman	20/12/2017

APPOINTMENTS AND REMUNERATION COMMITTEE		
Name	Position	Type
MR NICCOLÓ QUERCI	MEMBER	Proprietary
MS CRISTINA GARMENDIA MENDIZÁBAL	MEMBER	Independent
MS CONSUELO CRESPO BOFILL	CHAIRMAN	Independent
MR FEDELE CONFALONIERI	MEMBER	Proprietary
% of executive directors	0.00	
% of proprietary directors	50.00	
% of independent directors	50.00	

% of other external directors	0.00
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Explain the functions including, if applicable, any additional functions to those legally established that are attributed to this committee and describe the rules and procedures it follows for its organisation and functioning. For each one of these functions, indicate their most important actions throughout the year and how, in practice, they have exercised each of the functions attributed thereto by law, by the Articles of Association or by other corporate resolutions.

The functions of the Appointments and Remuneration Committee are generally outlined in the Company's Articles of Association and in the Board of Directors' Regulations.

However, the Appointments and Remuneration Committee Regulations define the Committee's general and specific duties, which are not limited in nature:

- Protect the integrity of the process for selecting Board members and company's top executives, defining the candidate profile (skills, experience, and expertise), and more specifically, make proposals to the Board of Directors regarding the appointment and removal of members, indicating which members should belong to each of the Committees. The Committee should consider several potential candidates for the role, proposed by any of its members.
- Establish and periodically assess the skills, knowledge and experience required on the Board of Directors. To this end, it shall define the functions and skills required for the candidates to fill each vacancy and assess the time and dedication necessary for the directors to perform their duties properly, ensuring that the non-executive directors have sufficient time available for the proper performance of their functions.
- Provide assistance regarding the number of Committees to which Board members may belong. The members of the Board of Directors must compile a Committee report prior to their inclusion on the Boards of third-party companies.
- Collect information on the remaining professional obligations of Board members.
- Assist the Board of Directors during the succession of the Chairman and the Company's top executives, and where appropriate, making proposals to the Board of Directors so that this succession takes place in an orderly and planned manner, drawing up a succession plan for this purpose.
- Make proposals to the Board of Directors regarding independent directors to be appointed by co-option or, if applicable, for submission to decision by the General Meeting of Shareholders, and proposals for reelection or removal of those directors by the General Meeting;
- Report to the Board of Directors of other members to be appointed by co-option or, if applicable, for submission to decision by the General Meeting of Shareholders, and proposals for reelection or removal of those directors during the General Meeting.
- Inform the Board on the appointment and removal of top Company management, and propose basic contractual conditions.
- Assist the Board of Directors in the drafting and implementation of the policy on matters related to diversity and selection of directors of the Board of Directors, which shall be reported in the Annual Corporate Governance Report. Such policy should aim to (i) include on the Board of Directors a number of women to ensure a balanced presence of women and men and (ii) to ensure that the selection procedures do not hinder the selection of female directors.
- To report on the appointment of the Chairman and the Vice-Chairman of the Board of Directors as well as of the removal and appointment of the Secretary and, where appropriate, the Vice-Secretary of the Board of Directors.

- Ensure Board member compliance with the obligations and duties set forth in Regulations and Articles of Association.
- Verify compliance and periodically review the remuneration scheme applied to Board members and company's top executives, including share-based compensation schemes and their application, and ensure that individual remuneration is proportionate to the amounts paid to other company's top executives and directors.
- Ensure the transparency of remuneration and inclusion in the notes to the annual financial statements on Directors' remuneration and the annual Corporate Governance Report of information regarding Board member remuneration and, to that end, submit such information as may be appropriate to the Board.
- Assist the Board of Directors in evaluating the Board's Chairman and the company's top executives when establishing remuneration paid to Board members and top executives, making related proposals on the manner, procedures, and their annual retribution. Where applicable, include incentives such as share option plan, periodically reviewing remuneration plans to ensure that they are in line with the Company's results.
- Prepare and verify the Board of Directors Remuneration Policies Report, which must be approved by the Board of Directors and presented to the shareholders at the General Meeting.
- Advise the Board of Directors with regard to each member's category when they are appointed or renewed to the post and conduct a yearly review when preparing the annual Corporate Governance Report.
- Report in advance to the Board of Directors on transactions with related parties.

For more information on the functions and activities carried out by the Audit and Compliance Committee, consult the Regulations at the following link: <http://www.mediaset.es/inversores/es> .

Executive committee		
NAME	POSITION	Category
MR JAVIER DIEZ DE POLANCO	MEMBER	Independent
MR ALEJANDRO ECHEVARRÍA BUSQUET	CHAIRMAN	Other External
MR BORJA PRADO EULATE	MEMBER	Proprietary
MR FEDELE CONFALONIERI	MEMBER	Proprietary
MR MARCO GIORDANI	MEMBER	Proprietary
MR PAOLO VASILE	MEMBER	Executive

% of executive directors	16.67
% of proprietary directors	50.00
% of independent directors	16.67
% of other external directors	16.67

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 association or in other corporate resolutions.

For reasons of space, this section will be limited to providing a brief description of how these Committees are organised; for further information regarding powers, composition and functioning of the Committees, please visit the website: <http://www.mediaset.es/inversores/es/>

The composition of the Executive Committee is described in this section; it has all the powers inherent in the Board, apart from all legal and statutory powers which may be devolved to it. All agreements adopted are communicated to the Board of Directors.

In 2020, The Committee held two meetings, attended by all its members, dealing with matters related to the Company's functioning, with an update presented at each session.

C.2.2 Complete the following table on the number of female directors on the various board committees at the end of the last four years:

	Number of female directors							
	Year 2020		Year 2019		Year 2018		Year 2017	
	Number	%	Number	%	Number	%	Number	%
Audit and Compliance Committee	2	40.00	2	40.00	2	40.00	0	0.00
Appointments and Remuneration Committee	2	50.00	2	50.00	2	50.00	0	0.00
Executive Committee	0	0.00	0	0.00	0	0.00	0	0.00

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 Audit and Compliance Committee and the Appointments and Remuneration Committee are governed by the Regulations of the Board of Directors and their respective rules. Both regulations are available on our website <http://www.telecinco.es/inversores/es/gobierno-corporativo.html> .

These Regulations were amended in December 2020, mainly in order to adapt their provisions to the Recommendations of the Code of Good Governance amended in June 2020 and which affect the composition and powers of the Committees, in coordination with the proposed amendment of the Board Regulations referred to above, as well as including certain basic principles of the Technical Guide 1/2019 on Appointments and Remuneration Committees.

D RELATED-PARTY AND INTRAGROUP TRANSACTIONS

D.1 Describe, if applicable, the procedure and competent bodies for the approval of related party and intragroup transactions.

The approval of transactions related to shareholders, board members, or senior executives is granted by the Board of Directors.

The Appointment and Remuneration Committee must issue a report on related-party transactions, including at least the type of transaction, the amount, the parties involved and the impact on the Company. This report must include recommended actions and be submitted to the Board of Directors for its approval.

In addition, each month the Economic and Finance Division verifies that all related-party transactions are classified correctly and measured in accordance with applicable regulations. For the annual closing of accounts, all related-party transactions carried out during the year are identified, detailed and quantified. This information is disclosed in the notes to the annual financial statements.

Finally, transactions included in this report relate to the normal course of the Company's business and are carried out on an arm's length basis. The related information is also included in the annual financial report for 2020.

D.2 Describe any transactions that are significant, either because of the amount involved or the subject matter, entered into between the company or entities within its group and the company's significant shareholders:

Name or company name of significant shareholder	Name or company name of the company or entity within its group	Nature of the relationship	Type of transaction	Amount (thousands of euros)
MEDIASET SPA	Mediaset Spa	Contractual	Others	26
MEDIASET SPA	Mediaset Spa	Commercial	Receipt of services	50
MEDIASET SPA	Reti Televisive Italiane SPA	Commercial	Others	1,236
MEDIASET SPA	Reti Televisive Italiane S.P.A.	Commercial	Receipt of services	26
MEDIASET SPA	Publieurope Internacional Ltd.	Commercial	Receipt of services	1,487
MEDIASET SPA	Publieurope Internacional Ltd.	Commercial	Provision of services	291
MEDIASET SPA	Boing SPA	Contractual	Receipt of services	30
MEDIASET SPA	Banco Mediolanum, SA	Commercial	Provision of services	706
MEDIASET SPA	Medusa Films SPA	Contractual	Provision of services	5

D.3 Describe any transactions that are significant, either because of their amount or the subject matter, entered into between the company or entities within its group and directors or managers of the company:

Name or company name of director(s) or manager(s)	Name or company name of the company or entity within its group	Relationship	Nature of the relationship	Amount (thousands of euros)
No Data				N.A.

D.4 List any relevant transactions undertaken by the company with other companies in its group that are not eliminated in the process of drawing up the consolidated financial statements and whose subject matter and terms set them apart from the company's ordinary trading activities.

In any case, list any intragroup transactions carried out with entities in countries or territories considered to be tax havens:

Corporate name of the group entity	Brief description of the transaction	Amount (thousand euros)
No data		N.A.

D.5 Report any material transactions carried out by the company or entities belonging to its group with other related parties that have not been reported in the previous sections:

Company name of the related party	Brief description of the transaction	Amount (thousand euros)
Alea Media, SA	Provision of services	17
Alea Media, SA	Purchase of goods	361
Alma Productora Audiovisual, SL	Purchase of goods	2,911
Unicorn Content, SL	Purchase of goods	20,311
La Fábrica de la Tele, SL	Receipt of services	939
Alea Media, S.A.	Others	77
Alea Media, S.A.	Purchase of fixed assets	5,068
Producciones Mandarina, SL	Provision of services	43
Producciones Mandarina, SL	Purchase of goods	2,360

Producciones Mandarina, SL	Purchase of fixed assets	4,810
La Fábrica de la Tele, SL	Provision of services	11
La Fábrica de la Tele, SL	Purchase of goods	27,326
Aunia Publicidad Interactiva, SL	Receipt of services	181
Bulldog Tv Spain, S.L.	Receipt of services	312
Bulldog Tv Spain, S.L.	Purchase of goods	24,264
Melodía Producciones, S.L.	Others	41
Melodía Producciones, S.L.	Receipt of services	41
Unicorn Content, SL	Provision of services	55
Alma Productora Audiovisual, SL	Provision of services	26
Fenix Media Audiovisual, SL	Purchase of goods	31
Fenix Media Audiovisual, SL	Receipt of services	10
Unicorn Content, SL	Receipt of services	158
Alea Media, SA	Receipt of services	21
Alma Productora Audiovisual, SL	Receipt of services	14
Producciones Mandarina, SL	Receipt of services	47

D.6 List 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 or significant shareholders.

The Mediaset España Group has several mechanisms in place to detect and resolve potential conflicts of interest between the Company and its directors in order to prevent conduct that could hurt the Company or its shareholders.

According to the Regulations of the Board of Directors, related-party transactions between the Mediaset España Group and its directors must be authorized by the Board of Directors. The consideration of when a personal interest exists extends to situations that affect a related person, understood as the following:

- a) A spouse or any person with which he or she has a similar personal relationship.
- b) The parents, children and siblings of the director or of his or her spouse.
- c) The spouses of the parents, children and siblings of the director.

- d) The companies in which the director, personally or through an intermediary, has control as defined by the law.

Where the director is a legal person, the definition of related party also includes the following:

- a) Partners that have control over the legal person as defined by the law.
- b) The de facto or de jure directors, the liquidators and the legal representatives with general powers of attorney of the legal director.
- c) The companies that belong to the same group and their partners.
- d) The individuals who are classified as related parties of the representative of the legal director according to the previous paragraph.

Directors who find themselves in a conflict-of-interest situation must inform the Company immediately shall refrain from attending and participating in deliberations affecting businesses in which they have a personal interest, as explained above. Such situations must be approved by the Board of Directors, based on a previous report by the Appointment and Remuneration Committee. Similarly, directors, on their own behalf or through related persons, may not perform any professional or commercial transaction with the Company.

Also related to the control mechanisms, directors must submit their resignation to the Board of Directors when their remaining there may threaten the interests of Mediaset España or adversely affect its credibility and reputation. Directors must also refrain from attending and participating in deliberations affecting businesses in which they have a personal interest.

No director disclosed a situation that could pose a conflict of interest in 2020. Any conflict of interest is disclosed in the Annual Corporate Governance Report.

Regarding mechanisms to detect potential conflicts of interest between the Mediaset España Group and its shareholders, as indicated in the section on related-party transactions, any transaction between the Company and its significant shareholders should be authorized by the Board of Directors, except in those situations described in D.1. above.

The Code of Ethics and the Internal Code of Conduct set out the procedures for detecting and controlling potential conflicts of interest between the Company and its directors. Situations that could possibly give rise to conflicts of interest include:

- Entering into a contract on behalf of Mediaset España with a supplier owned or managed by a friend or family member.
- Working as a consultant of a Company supplier or customer.
- Conducting business on one's own account that is similar to the business of Mediaset España.
- Having a personal or financial interest in a business with the Company.
- Obtaining personal advantage or financial gain —beyond ordinary remuneration— through an agreement or commercial relationship with a third party involving Mediaset España.

At the Mediaset España Group, the Compliance and Prevention Unit oversees this type of situation. This department is composed of the Corporate General Manager, the Chief Operating Officer, Content General Manager, Advertising General Manager and the Internal Audit Director.

No situations of conflict of interest involving the group of executives were identified in 2020 that had not been previously disclosed.

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

No

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

Report 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

Mediaset España maintains business relations with its Italian listed parent company Mediaset Italia, Spa. and its subsidiaries. With regard to the former, the transactions between the two are for advertising sales services, agency services, payments for the assignment of the use of brands and staff remuneration.

Secondly, the Group's parent company, Mediaset España Comunicación, S.A., has the following business relationships with its subsidiaries: the acquisition, exploitation, production and distribution of audiovisual content, whether produced in-house, fiction, animation or documentaries. It also develops content for the Internet and information and entertainment services both for the chain itself (with sites of its main programmes) and for specialised sectors. It also produces sports formats that include news programmes, broadcasts, reports and thematic channels. Finally, there are design and/or marketing relationships for audiovisual content incorporating product placement or sponsorship or any advertising initiatives intended to be communicated through any existing audiovisual media, including social networks. Information on these operations is provided in sections D2 and D5 of this report.

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

Article 33 of the Board of Directors' Regulations establishes that directors must abstain from participating in the deliberation and voting on resolutions or decisions in which they or a related person has a direct or indirect conflict of interest. Likewise, Article 34 obliges Directors and their related persons, in the event that they are the beneficiaries of the prohibited acts or activities, to refrain from: Using the name of the Company or invoking their status as Director to unduly influence the conduct of private transactions; Making use of corporate assets, including confidential information of the Company, for private purposes; Taking advantage of the Company's business opportunities; Engaging in activities on their own account or for others that involve effective competition, whether present or potential, with the Company or that otherwise places them in a permanent conflict with the Company's interests; Carry out transactions with the Company or with the companies of its group, except in the case of ordinary transactions, made on standard terms for customers and of little relevance, understood as those whose information is not necessary to give a true and fair view of the net worth-equity, financial position and results of the Company.

In any event, Directors must notify the Board of Directors of any situation of direct or indirect conflict of interest that they or persons related to them may have with the interests of the Company. Situations of conflict of interest in which Directors are involved shall be disclosed in the notes to the annual report.

Likewise, the Code of Ethics and the Internal Code of Conduct regulate any incident that may involve a conflict of interest in the Mediaset España Group.

E RISK CONTROL AND MANAGEMENT SYSTEMS

E.1 Explain the scope of the company's Risk Management and Control System, including tax risk.

Mediaset Group's Internal Control System and Risk Management System has a hierarchical risk management structure, and functions through a series of bodies which simultaneously use different systems, policies, and procedures to identify, diagnose, and prevent each of the risks which might affect the company. The System's objectives include helping the Group meet its goals and objectives, while minimising its associated risks (whether they are operational, financial, tax- or compliance-related, etc.). Based on this hierarchy, the main control bodies are:

1. Board of Directors
2. Executive Committee
3. The Audit and Compliance Committee
4. Unit of compliance and crime prevention
5. Risk Committee
6. Internal Audit Management

Mediaset Group's overall risk management policy is the key instrument in assisting the Group to:

- a) Identify the risks which might stand in the way of reaching strategic goals.
- b) Protect the balance sheet, income statement and cash flow generation.
- c) Safeguard the interests of the Group's stakeholders (shareholders, customers, suppliers, etc.);
- d) Oversee the efficiency and effectiveness of operations; and
- e) Comply with applicable laws, regulations and contract

These policies involve the preparation of a Risk Map, based on the Enterprise Risk Management (ERM) framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO II), which has the following scope:

- Identification of the main strategic, corporate governance, business, credit, market, financial, tax, regulatory and compliance, reputational and, where appropriate, environmental risks.
- Analysis and assessment of each risk identified in terms of the probability of occurrence and the potential impact on the Group's financial statements and the achievement of its strategic objectives.
- Designation of specific officers for each risk identified.
- Implementation of procedures, processes and action policies, and development of IT tools to mitigate risks and generate opportunities for improvement.
- Regular monitoring of risk control for an accepted risk level.
- Ongoing monitoring through financial information control systems of the correct assessment and control of potential and effective risks identified.
- Communication to the various governing, management and reporting bodies of its responsibilities with full transparency.
- Control of the Risk Management System through the Internal Audit Management.

Likewise, within the Mediaset España risk map, among others, the following are considered:

1. The tax risk map: This analyses those risks which, due to their corporate, transactional, operational and compliance, financial, accounting, organisational and/or reputational nature, may have relevant tax implications for the Group.

2. The criminal risk map: Depending on the crimes defined in the law, a map of possible risks is drawn up according to the nature of the Group's business activity.
3. Map of non-financial risks.

E.2 Identify the bodies within the company responsible for preparing and executing the Risk Management and Control System, including tax risk:

The Board of Directors is responsible for approval and follow-up, based on the Audit and Compliance Committee Report, of the risk management and control policy including those which are tax-related, as well as the supervision of internal information and control systems.

The Audit and Compliance Committee is the body in charge of overseeing and controlling Mediaset España's risk policy so that potential risks are identified, managed and communicated appropriately. It is responsible for ensuring that the policy:

- a) Determines the types of risk for Mediaset España; e.g., strategic, operational, compliance and reporting, technological, financial, tax, legal or any other, including contingent liabilities and other economic and financial risks.
- b) Establishes an acceptable level of risk for Mediaset España.
- c) Provides mechanisms, when risks arise, to determine the precise measures required to mitigate the impact of the risks identified.
- d) Establishes the communication and internal control measures to control and manage any risk.

Where related-party transactions are attributed to another committee, the Audit and Compliance Committee is responsible for proposing the related policy and communicating the transactions to the Board of Directors. The policy regarding related-party transactions must be disclosed in the Annual Corporate Governance Report. (For further information see section D above).

The Risk Committee comprised of the Group's senior executives, who are in charge of preparing and validating the Risk Map and its presentation to the Audit and Compliance Committee. This body carries out the executive functions of managing daily operational risks, while also communicating them to the rest of the organisation in collaboration with the Internal Audit Management. Internal Audit management analyses, oversees, and assesses these risks, and coordinates the action plans to mitigate them. It also liaises with each Department in charge of each risk for implementation of the monitoring system.

The Economic-Financial Management draws up the fiscal risk map, which is reviewed with the external fiscal advisor and supervised by the Internal Audit Management.

E.3 Indicate the main risks, including tax risks and, to the extent significant, those arising from corruption (the latter being understood within the scope of Royal Decree Law 18/2017), which may affect the achievement of business objectives:

The main risks of the Mediaset Group that could affect the achievement of the objectives set by the Board of Directors are as follows:

1. Regulatory Framework: 2020 has been a more stable year in terms of regulatory changes in the audiovisual sector. With regards to the disciplinary proceedings initiated by the National Securities Market Commission, it is worth noting that the National Court of Spain has suspended the fine of 38.9 million euros. However, it rejected the provisional measures relating to the imposition of a series of restrictions on the marketing of advertising.
2. Political and macroeconomic environment: The television business is directly related to economic growth and therefore, this is an external factor that has a direct impact on the business. The situation

created by the Covid-19 pandemic is affecting the economic and operational activity of Mediaset España.

3. Competitors in the audio-visual market: There is still a lot of competition in the audio-visual sector with the existence of various sources supplying content. In addition, new competitors continue emerging that did not exist in 2019. This means that the TV is at risk of losing coverage. In addition, the new content platforms are not subject to the same obligations and limits as television channels. These new platforms are causing a change in the content consumption habits that impact television consumption.
4. Reputational: Mediaset España owns many brands, both corporate and products associated with its programmes. That is why the risk of its image being exposed to damage is a risk that we maintain continuous control over. The Communications Management is in charge of ensuring this control by continuously monitoring any news or activity that could cause a crisis that impacts our image. Likewise, it coordinates with all the Directorates including the Multiplatform Directorate to monitor any developments on the social networks. At the same time as a situation of possible conflict arises, the Communication Department informs and advises the CEO to take the necessary measures to that end.
5. Financial: As with last year, the possible appreciation of the dollar against the euro is a financial risk due to the purchase of audio-visual rights abroad. In addition, the situation caused by the Covid-19 pandemic could lead to an increased risk of collection on certain customer accounts.
6. Tax: Mediaset España maintains a conservative tax policy, it has a continuous system for monitoring the tax impacts on its operations and the Economic-Financial Directorate and the various departments meet with the Company's external advisor on a weekly basis to deal with various types of tax queries.
7. Technological transformation: The constant and increasingly rapid technological evolution impacts on the way television is consumed. The inadequacy of both infrastructure and systems, applications and platforms to these developments, can have a negative impact on business sustainability. Mediaset España monitors the evolution and effect that technological transformation can have on television and carries out the appropriate investments for the development of adapted technologies and infrastructures.
8. Cyber-attacks and piracy: Mediaset España has defined the Group's Cybersecurity Risk Map and the corresponding controls and mitigation measures. It has also established periodic reviews, of both users and system vulnerabilities, contracted internal and external audits, and has the appropriate procedures for incidents. The Group has a service to mitigate attacks through Denial of Service (DOS).

With regard to piracy, Mediaset España has established solid contracts with front-line providers to host the digital archive. At the same time, it has defined procedures to control the content flow towards the different platforms and technical audits are carried out to review its correct application. Furthermore, it has an external content monitoring service on YouTube, through which all the content owned by Mediaset is tracked and eliminated from this channel. With regard to films, the company has contracted a monitoring system with which it fights against illegitimate access to the contents produced, during the period in which the film is broadcast in movie theaters.

9. Litigation and contentious-administrative proceedings: as a result of its activity, Mediaset España is subject to the possible risks of lawsuits initiated by external agents or contentious-administrative proceedings. Through its Administrators and advisors, it assesses the risk for all litigation and contentious-administrative proceedings and, it provides adequate provisions in those cases where the risk is likely, and its economic effects are quantifiable.
10. Mediaset España's business activity may be affected, like any other, as a result of risks associated with corruption. However, given the activity performed the likelihood of the risk materializing is low. Mediaset España has strong controls that mitigate this risk through procedures and reviews carried out by the Compliance and Prevention Unit. In 2020 Mediaset obtained the certification of its compliance model under the UNE 19601 by AENOR.

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

The Risk Management System identifies risk tolerance levels for each risk identified and included in the company's risk map. Those which are tax-related are included. The Corporate Risk Management Policy establishes a minimum accepted risk. The risks are classified as "Within the accepted tolerance level" or "Exceeds the accepted tolerance level" depending on the probability of occurrence and the impact on the Group's strategic objectives. In classifying risks, the Mediaset Group takes into consideration the expectations of investors, regulators, clients, suppliers and employees. Both top management as well as the directors of the key business areas (advertising sales, programming content, technology and systems, and finance) participate in identifying the risks affecting them. The Internal Audit Director channels all information and evaluates risks, sharing it while also periodically monitoring KRIs with each risk unit.

The Mediaset Group combines qualitative and quantitative measures to ensure comprehensive and balanced risk management. The level of risk tolerance is periodically reviewed, although Mediaset España has always been characterized by its conservative approach, focusing on controlling costs, optimizing profitability, and meeting its obligations with regulatory bodies. The above review takes place in conjunction with Mediaset España's risk management team.

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

- a) Adverse political and macroeconomic environment: The television industry is directly related to economic growth and therefore this is an external factor that has a direct impact on the business. The crisis caused by the COVID-19 pandemic has led to a sharp economic decrease in Spain and therefore to a sharp decline in advertising investment.
- b) Risks inherent in the audio-visual business due to market fragmentation with the large number of FTA channels, or due to the weak performance of advertising investment in 2020 compared to 2018, have been very well controlled as result of the company's high reaction capacity in relation to cost containment.
- c) Reputational risk: During 2020 Mediaset España has managed to maintain a satisfactory level with regard to the impact of its brands on viewers.
- d) There were no significant digital security breaches in 2020.
- e) The lawsuits and disputes that have taken place in 2020 have not been material.
- f) No tax risks have materialised during 2020.

E.6 Explain the response and supervision 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.

Mediaset's Board of Directors has the support of the Audit and Compliance Committee to respond to the challenges the company faces. The Chief Executive Officer and the Risk Committee are responsible for evaluating strategic and business threats. The procedure under which this is regulated is the Mediaset Group's Risk Management Policy. At least 4 times a year, prior to each Audit Committee being held, the Risk Committee meets to evaluate and monitor the risk map and the key risk indicators. The findings are passed on to the Audit Committee and, failing that, to the Board of Directors.

The Mediaset Group monitors the possible threats which might activate or elevate the potential damage of the aforementioned risks on a daily basis. There is a communication channel between the

risk owners and the Internal Audit Department and the Risk Committee, whereby preventive and/or reactive response controls are activated whenever an indicator is identified that raises an activity's risk level.

F INFORMATION RELATING TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)

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

F.1 The Company'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.

Based on a prior Audit and Compliance Committee report, the approval, follow-up, and monitoring the control and management of risk, including tax risks, as well as supervision and control of internal information systems, are the responsibility of Mediaset España's Board of Directors, as indicated in Article 6, section 4, subsection xxiv of its Regulations.

The Economic and Finance Division is in charge of implementing ICFR through Management, Management Control and Consolidation and Reporting Departments. Each of these areas receives information from the Business, Human Resources and Legal Advisory Departments, or any other department that could provide information with a material impact on financial information.

In addition, the Audit and Compliance Committee's responsibilities include the following:

"Article 5.3: Regarding the internal control over financial reporting (ICFR) system:

To ensure the reliability of the financial information, the Audit and Compliance Committee has the following responsibilities:

1. Monitor and assess the process of preparation and presentation and the integrity of the financial and non-financial information relating to the Company and, where appropriate, the Group, and submit recommendations or proposals to the Board of Directors aimed at safeguarding its integrity. In particular, to know, understand and monitor the effectiveness of the ICFR, reviewing the correct design of Mediaset's ICFR and compliance with regulatory requirements.
2. Approve the internal audit plan for evaluation of the ICFR and receive regular information on the findings of its work and plans to correct any control weaknesses detected.
3. Review, analyze and comment on the financial statements and other relevant financial information with senior executives and internal and external auditors to assure that the information is reliable, understandable and material, and that the same accounting policies as the preceding reporting period have been applied.
4. Supervise the process carried out by senior executives to make critical judgements, evaluations and estimates, and evaluate their impact on the financial statements, as well as on adjustments proposed by the external auditor, and be aware of and, as appropriate, mediate, in any disagreements between them.
5. Ensure the ICFR evaluation process of Mediaset is robust enough to achieve its objectives and validate the conclusions of reports submitted to it by those carrying out evaluation tasks.

6. Oversee Mediaset's continuous monitoring of control activities, to obtain reasonable assurance regarding the implementation and functioning of the ICFR.

7. Ensure that information disclosed to the market about ICFR is clear and understandable and contains sufficient, accurate and appropriate detail.

During 2020, due to the pandemic situation, the company has reviewed its entire risk map and accommodated all its actions to mitigate any material impact on the company.

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 Board of Directors of Mediaset España sets the high-level organisational structure. From this level, the Chief Executive Officer, together with the Human Resources Department, implement the procedures at all levels.

Each General Management designs an organisational structure, including job descriptions and lines of responsibility, which is overseen and validated by the Human Resources Department.

The Management and General Operations Management is mainly responsible for the preparation of financial information through the Economic and Finance Division. The Economic and Finance Division comprises the following:

- Administration Department (of Mediaset and Publiespaña).
- Management Control Department
- Consolidation and Reporting Department
- Treasury management

In this sense, there is a "Manual on Personnel Functions and Responsibilities" of the of the Economic-Financial Directorate.

Mediaset has an internal communication policy. According to this policy, the Management and Operations General Office, through the Human Resources and Services Department, is in charge of disclosing, through notifications on the intranet, any organisational change in the Group and/or the hiring of new managers. This information is provided to all Mediaset Group employees, who are also informed via email when any new announcements are published.

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

The processes of complying with the rules and regulations affecting the company are included in the "Mediaset España Ethics Code" and the "Internal Code of Conduct of Mediaset España Comunicación, S.A. and its Group of Companies regarding Stock Market Activities" and apply to all departments that have access to privileged information.

Mediaset España considers the homogenous and symmetric transmission of information regarding its

activity and economic results, which must be complete, truthful, transparent and responsible permanently expressing a true image of the company, as a fundamental principle of the relationship it has with its shareholders, investors, analysts and the financial market in general.

All Mediaset España information must be registered and presented in a precise, diligent manner, respectful current regulations, in order to ensure that all the Company's assets, activities and responsibilities are correctly accounted for.

Mediaset España has an Internal Control System on Financial Reporting (ICFR) adapted to the requirements of the National Securities Market Commission (CNMV).

The Crime Prevention and Compliance Unit is the unit that analyses infringements and proposes corrective actions and sanctions related to the Group's Code of Ethics as well as its dissemination. Every six months, a "pop up" reminder of its existence is sent to all Mediaset España Group staff and to third parties who have access to its facilities, together with information on how to access it via the corporate intranet.

All the professionals employed by the Group and those joining it in the future have accepted and will expressly agree to abide by the Code of Ethics. There are also procedures led by the Human Resources Department by virtue of which they are informed of the Code of Ethics and its obligatory compliance.

The Code of Ethics is published on Mediaset España's corporate intranet and on the main corporate website so that it is accessible to any employee or third party.

- 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.

The Mediaset Group has a reporting procedure for any employee, manager, director or stakeholder of Mediaset España who reasonably suspects any behaviour contrary to the principles and values of the Code of Ethics or business ethics and good faith. This includes financial and/or accounting malpractices or practices that do not comply with IFRS or the Spanish General Accounting Plan, inappropriate or inadequate use of accounting and financial information, alteration or misuse of management, accounting and/or financial systems, falsification or concealment of accounting and financial information, fraud, offering and/or taking bribes, non-compliance with laws and regulations, and conflicts of interest.

These are reported via the secretary of the Compliance and Prevention Unit, which guarantees full protection of privacy and confidentiality of the information reported and the persons involved. It acts as a filter for the accuracy and credibility of each procedure, assessing the appropriateness of reporting to the Compliance and Prevention Unit, and where applicable the Audit and Compliance Committee, which makes the final assessment.

In 2019 the complaints channel was updated and renamed the Ethical Mailbox.

During 2020, no complaints were received through the Whistleblowing Channel.

- 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.

All personnel involved in preparing and reviewing financial information or evaluating ICFR receive training each year on accounting rules, control and risk management, auditing and tax developments.

As indicated previously, the training plan covers the Economic and Finance Division and the Internal Audit Department.

During 2020, 27 people received a total of 177 hours of training regarding updates on internal control, accounting and taxation.

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.**

The Mediaset Group has a system for controlling and identifying risks of errors in financial information. This system is documented, and a backup copy is stored in the Internal Audit Division's systems.

It is based on the Mediaset Group's Comprehensive Risk Management System (RMS). The RMS is based on the Enterprise Risk Management (ERM) framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO II). The first step in the approach is to identify the Company's strategic objectives and risks. Once these are defined, the second step is to identify operational, compliance and reporting risks. Each risk is assessed in accordance with the probability of occurrence and the potential impact on the achievement of strategic objectives.

The system begins with identification of the companies in the Mediaset Group's consolidation scope and the Group's business lines. It then identifies and documents both recurring and non-recurring processes that could have an impact or affect each company's financial statements; i.e., the balance sheet, income statement, statement of cash flows or disclosures. Next, the risks related to the processes and the controls to mitigate them are reviewed.

There are specific controls for each process, which are subject to traceability tests. The results of these tests provide the potential errors in financial information related to the valuation of a transaction, its cut-off, registration or integrity. The results are prioritised by materiality.

The controls in place for each risk include preventing and detecting errors and fraud. The Company has policies and procedures, as well as a protocol, in its reporting systems designed to minimize this type of risk. These include:

1. Acquisition and Sales Committee procedure;
2. Acquisition of products and services procedure;
3. Contract signing procedure;
4. Power of attorney management procedure;
5. Corporate security policy and related procedures; and
6. Customer management procedure
7. Supplier Alignment Protocol

- **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.**

As indicated in the preceding section, the system covers processes that could lead to a risk regarding existence, occurrence, completeness and valuation, presentation and disclosure, cut - off and

recognition of transactions with a material impact on financial information. The processes are performed at least every six months.

- 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.

The Audit and Compliance Committee, in accordance with the terms of Article 5.2.c of its Regulations, is responsible for supervising the appropriate definition of the Group's scope of consolidation. To this end, any change, modification, addition or removal from the Mediaset España Group's corporate structure is controlled by the General Secretary of the Board and the Corporate General Manager. The Corporate Manager, pursuant to authorisation by the Board of Directors, reports any transfers or acquisitions of shareholdings and provides the related supporting documentation to the divisions that could be affected. The General Operations Management, through the Economic and Finance Division, is in charge of identifying and advising on the impact of these changes to the Group's consolidation scope. At the end of each reporting period, the Group's existing corporate structure is obtained and validated between the Legal and Economic and Finance Management.

Moreover, where the direct stakes held by the Company are also consolidated groups, there is an internal process whereby any movements therein (e.g., purchases, sales, liquidations, mergers, transfers) are reported to the Economic and Finance Division immediately, as follows:

- a. For interests where the Company has operating control, through monthly reporting processes established for this purpose and by communication from the representative of the Company to the companies' governing bodies.
 - b. For companies in which the Company does not have control, the Company's representatives on these companies' governing bodies are in charge of reporting to the Finance Management.
- Whether the process takes into account other types of risk (operational, technological, financial, legal, tax, reputational, environmental, and so on) insofar as they may affect the financial statements.

The process for identifying risks of errors in financial information takes into account the following types of risk: operational, technological, financial, legal, reputational and environmental to the extent that these could affect the different Corporate Managements. The Internal Audit Management notifies the various Corporate Departments of the risks identified and the recommended action plan.

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

The General Operations Management is in charge of overseeing the process through the Economic and Finance Division and the General Corporate Manager.

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 year end procedures and the specific review of significant judgements, estimates, valuations and projections.

With each year end, the Economic and Finance Division reviews the transactions that impact the financial information through its Administration, Management Control and Consolidation and Reporting Departments. The year end procedure entails an initial review by the Management Control, and Administration Departments of all the individual companies. The process includes a list of review tasks, on all lines of information generated internally by the Department or of information from other Group departments that could have an impact on, or be reflected in, the financial information. Secondly, the Consolidation and Reporting Management oversee the information validated by the two other departments and conducts its own review process. This comprises a series of automatic tests of the information systems to ensure the completeness of the data used for consolidation. Once these tests are completed, the procedure for the month end takes place.

The specific review of judgements, estimates, evaluations and projections is carried out in accordance with the same review model of the reliability of the financial information.

The Consolidation and Reporting Management reports each monthly financial closing to the Managing Director of the Economic and Finance Division and the General Manager of Operations, which is reviewed and approved before being presented to the Chief Executive Officer and the Audit and/or Executive Committee.

The Chief Executive Officer, the General Manager of Operations and the Finance Director ensure both the completeness of the financial information and compliance with the internal control system guaranteeing the integrity, before the Board of Directors.

The Audit and Compliance Committee, with the support of the Audit Management, oversees this process and reports its findings to the Board of Directors. Once the consolidated financial statements are approved, they may be submitted for publication to the National Securities Market Commission (CNMV) by the Secretary of the Board.

In addition, the Audit and Compliance Committee carries out a review of the financial information each quarter. This process consists of verifying that the quarterly information is prepared using the same criteria as the information prepared in the half-yearly reports (at June 30 and December 31 of each year). The external auditors reveal items found, relevant matters, and recommendations during these two half-yearly Audit and Compliance Committee sessions. They also draw up an external audit report to this effect.

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 Mediaset Group takes extreme precautions regarding security applied to the management tools used in the financial information preparation process and regarding modification controls, when applicable. There is a strict access policy covering who has access to applications in production, so that any modifications, additions, or disposals must be authorized by the person in charge of the application and the Internal Audit Department. Mediaset has a Corporate Security Policy, which was approved in 2008 and is updated annually. This Policy covers the acquisition of software and hardware, service levels and security of the systems guaranteeing the performance and continuity of operations.

There is a documented inventory of all systems involved in the preparation of financial information. Specific preventive and, as a last resort, detective controls are in place for these systems. The

Technology Division is responsible for the development and maintenance of all systems, as well as the implementation of established control procedures.

The segregation of duties is established in all applications to prevent conflicts in normal and critical operations. This precludes a single person from being responsible for several functions that could give rise to conflicts of interests resulting in errors or misappropriations. In addition, this was established by correctly defining/assigning user profiles. A specific procedure exists which oversees this aspect, including the continuous revision of user-assigned profiles.

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.

There is an Acquisitions Committee and an Acquisition of Products and Services Procedure regulating outsourced services and services performed by independent experts. This ensures that the chosen provider is independent of the Company, is competent, operates under market conditions, and is up to date with tax obligations.

Each area in charge reviews the outsourced activities.

There is a Protocol for the Approval of Suppliers through which the characteristics, obligations and criteria necessary to be able to present offers of services and products to the Mediaset Group are described, as well as to be able to be selected and carry out operations with our Group.

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.

The Consolidation, Reporting and Investees Management defines the accounting policies, keeps them up to date and settles doubts or disputes that could arise over the interpretation of the accounting policies approved by the Group. It reports to the Economic and Finance Division, which is part of the General Management and Operations. The Consolidation and Reporting Management is in charge of maintaining and updating the Mediaset España Group's Manual of Accounting Policies and ensuring that it is communicated appropriately. The Accounting Manual is updated regularly. Following the update of 30 June 2019, which included the implementation of IFRS 9, 15 and 16, the accounting for the contribution of new business lines is being considered for inclusion in the next version. Thus, the sale of production rights to other payment platforms is already being carried out, which implies other processes in the way of recognising the consumption of these rights. Moreover, new companies have joined the group to facilitate the digital sale of advertising. These new formulas imply the need to identify and differentiate such sales. It should also be noted that in the last year the Group has made strategic financial investments of an industrial nature in another important European group. This was carried out through a combination of direct purchase of shares and derivatives contracted with a financial institution. This is also in line with the Group's Accounting Policy Manual. It is expected to be updated during the first half of 2021.

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.

The Company's financial information is captured and prepared through software tools that ensure complete security and control. From the time the information is captured (manually or through an interface), it is treated by software programs that are standard in the marketplace: SAP, Microstrategy, Axional and Meta 4. These programs are inter-connected. They treat, store and report information, minimizing the risk of errors and manipulation of the economic and financial information.

SAP collects all information with an economic and financial impact on the company's accounts. Mediaset España draws up the accounts of all companies over which it has control. This speeds up and controls the necessary processes for the Group's consolidation.

Microstrategy is the reporting and consolidation tool that captures and prepares financial information for appropriate reporting to the pertinent internal and external bodies. The organisational structure of the information to be received and reported has been previously standardised in terms of format and application of criteria, ensuring the integrity of the information and facilitating its analysis.

All these systems include maintenance and yearly updates. The Technology Director ensures that everything runs in a perfect and reliable manner.

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.

As indicated in section F.1.1, the responsibilities of the Audit and Compliance Committee can be summarized as follows:

1. Overseeing the preparation and integrity of the financial and non-financial information
2. Approving the internal audit plan for assessment of the ICFR.
3. Reviewing, analysing and commenting on the financial statements and other relevant financial information with the parties involved in its preparation and approval
4. Supervising the process of making judgements, evaluations and estimates and mediating any conflicts.
5. Ensuring that the ICFR evaluation process of the Mediaset Group has been designed to achieve the process objectives.

6. Overseeing continuous monitoring of ICFR.
7. Ensuring that the ICFR information disclosed is clear and understandable.

The Audit and Compliance Committee carries out these activities with the support of the Audit Department. The Audit Department answers to the General Corporate Management and its main responsibilities include analysing, evaluating and supervising the Group's internal control and risk management systems, identifying weaknesses, making recommendations and supervising the execution of the proposed action plan in each case.

Twice a year, coinciding with the half-yearly and annual financial statements, the Internal Audit Department carries out an in-depth review of the controls of all the processes that may have a significant impact on the Group's financial statements. As a result of these reviews, the Internal Audit Department prepares reports on the processes identified, the risks associated with them and the associated controls tested. These reports disclose any deficiencies found and compare with previous periods' reviews to see how they have evolved. As mentioned above, any deficiency in any process is immediately reported to the affected management to be corrected. At the last audited close as at 31 December 2020, 198 controls associated with 26 of the company's processes were reviewed, and no significant deficiencies were detected.

F.5.2. Whether it has a discussion procedure whereby the auditor (in accordance with the provisions of the Spanish Technical Audit Standards), the internal audit function and other experts can communicate to senior management and the audit committee or directors of the entity, the significant internal control weaknesses identified during the review of the annual financial statements or other processes entrusted to them. It shall also report on whether it has an action plan that seeks to correct or mitigate the weaknesses observed.

The Economic and Finance Division and the Internal Audit Department hold regular meetings with the external auditors to discuss material weakness in internal control. The Audit and Compliance Committee meets with the external auditors twice a year, at the closing of the Group's mid-year and annual financial statements. At these meetings, the external auditors, within the scope of their engagement, report whether there are any incidents or internal control weakness. The Economic and Finance Division and the Internal Audit Management attend these meetings and review all aspects regarding potential weaknesses in the internal control systems that could affect the financial information published by the Mediaset Group. Furthermore, the external auditors attend a third meeting, generally the last Audit and Compliance Committee meeting of the year. At this meeting, they report on the main issues of the current year's audit and the planning thereof.

Any weakness encountered is subjected to immediate monitoring by the Audit and Compliance Committee, with the help of the Internal Audit Department.

F.6 Other relevant information

Not applicable.

F.7 External auditor report

Report:

F.7.1. If 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 ICFR information has been subject to review by the auditor of the annual accounts, the company Deloitte, SL.

G DEGREE OF 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 association 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 within 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 [X]

Partially complies []

Explain []

Not applicable []

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 taking place since the previous 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 Partially complies Explain

4. That the company should define and promote a policy on the communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that comply 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 help to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies Partially complies 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 Partially complies 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 auditor's independence
- b. Reports on the functioning of the Audit and Appointments and Remuneration Committees.
- c. Report by the audit committee on related party transactions

Complies Partially complies 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 that enable proxy voting and voting by telematic means 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 Partially complies Explain

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 where the auditor has included a 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 Partially complies 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 Partially complies 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 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 [] Partially complies [] 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 [] Partially complies [] 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] Partially complies [] 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 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 appointments committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

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

Complies Partially complies 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 Partially complies Explain

The company has been complying with the objective that female directors represent at least 30% of its total members until February 2020, when, as stated in this report, Ms Helena Revoredo resigned

as a director of the company, and her position is currently unfilled; in the event of a new appointment, dismissal or resignation, the company will implement its selection policies favouring gender diversity.

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 [] Explain [X]

The company does not comply with this recommendation because the five proprietary directors appointed by Mediaset Spa (holder of 53.26% of the share capital) represent 55.55% of the total number of directors. This is due to the reduction in the number of directors following the voluntary resignation of Ms Helena Revoredo, whose vacancy is expected to be filled at the next General Meeting.

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 [] Explain [X]

As reported in this report, following the resignation of Ms Helena Revoredo as a director of the company, independent directors account for 25% of the directors. Her position is currently unfilled and in the event of a new appointment, removal or resignation, the company will implement its selection policies to comply with this recommendation, as it has done in recent years.

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 that they are 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 Partially complies Explain

19. That the annual corporate governance report, after verification by the appointments 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 Partially complies Explain Not applicable

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 Partially complies Explain Not applicable

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 association unless the Board of Directors finds just cause and a prior report has been prepared by the appointments 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 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 credit 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 appointments 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 Partially complies 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 conflicts 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 [] Partially complies [] 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] Partially complies [] Explain [] Not applicable []

25. That the appointments 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] Partially complies [] Explain []

26. That the Board of Directors meets 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] Partially complies [] 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 appoints a proxy with instructions.

Complies [X] Partially complies [] 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 Partially complies Explain Not applicable

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 Partially complies 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 Partially complies Explain

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 Partially complies 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 Partially complies 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 association, 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 Partially complies Explain

34. That when there is a coordinating director, the articles of association 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 Partially complies 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 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 appointments committee.

Every three years, the Board of Directors will rely on the assistance of an external advisor for its evaluation, the independence of whom shall be verified by the appointments 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 Partially complies 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 Partially complies 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 the executive committee meetings.

Complies Partially complies 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 Partially complies 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 Partially complies 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 Partially complies Explain Not applicable

42. That in addition to the provisions of the 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 Partially complies 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 Partially complies 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 Partially complies 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 materialise.
- 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 Partially complies 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 Partially complies Explain

47. That in designating the members of the appointments and remuneration committee – or of the appointments 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 [] Partially complies [X] Explain []

The Appointments and Remuneration Committee is composed of four members, two of whom are independent and two are proprietary, none of them have executive status and is chaired by an independent director. All of them have been appointed in view of their knowledge, skills and experience. In the absence of a majority of independent directors, the recommendation is therefore partially complied with by the Company.

The current composition of the Appointments and Remuneration Committee is established so that there is a reasonable balance between the Proprietary Directors and the independent Directors, based on the ownership structure of the Company, so that the relationship between one and another class of Directors reflects the relationship between stable capital and floating capital.

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

Complies [] Partially complies [] Not applicable [X]

49. That the appointments committee consults 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 appointments committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies [X] Partially complies [] 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 Partially complies 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 Partially complies 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 selects 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 report 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 Partially complies 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, assign to one or divided among more than one committee of the Board of Directors which may be the audit committee, the appointments 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 Partially complies 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 Partially complies 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 [] Partially complies [X] Explain []

Following the approval in 2020 of this new recommendation, the company will put in place the necessary mechanisms to implement the principles, commitments, objectives and strategy on the issues listed in section a). At year-end, compliance with the recommendation is partial as there are mechanisms in place to monitor non-financial risk, including those related to ethical aspects and business conduct. There are also stakeholder communication, participation and dialogue channels and responsible communication practices that avoid manipulation of information and protect integrity and honour.

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 [] Partially complies [X] Explain []

The Company considers that it partially complies with the recommendation, since the variable remunerations linked to the performance of the company and personal performance are not limited to executive directors.

In view of the special dedication required by the position of Chairman of the Board of Directors, who has the status of "other external", Mr. Echevarría receives a variable additional remuneration linked to the performance of the company and his personal performance.

58. That in the case of 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 [] Partially complies [X] Explain [] Not applicable []

The company considers that it partially complies given that the criteria considered in the variable remuneration are solely economic content related mainly to the generation of value and profitability for the shareholder. The Company does not consider it necessary to include other parameters for the calculation of the variable components of the remuneration.

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 Partially complies Explain Not applicable

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 Partially complies Explain Not applicable

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 Partially complies Explain Not applicable

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 forgoing 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 appointments and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies Partially complies Explain Not applicable

The Company partially complies with this recommendation, as its three-year medium-term incentives plan for its Board members, approved during the 2019 general shareholders meeting, establishes that assigned shares must be delivered after the general meeting during which the financial statements are approved during the Plan's third year, as long as the director is still linked to the Group companies. This means that the allocation of shares in the last two years of the Plan does not comply with the three-year deadline set out in this Recommendation.

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 Partially complies Explain Not applicable

The contractual agreements with the executive directors of the Company do not include a clause that allows the company to claim reimbursement of the variable components of the remuneration when the payment has not been adjusted to the performance conditions or when they have been paid according to data whose inaccuracy is accredited later.

The Company does not consider it necessary to include the aforementioned clause because the internal procedure for verifying compliance with variable components by the Board of Directors and by the Appointments and Remuneration Committee prevents them from being paid based on inaccurate data.

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 Partially complies Explain Not applicable

H OTHER 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 cases, 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:

The regulation and composition of our Board of Directors, its Committees, regulations applicable to governing bodies, shareholders' rights, etc. have been included in the sections of this Report and you can find more information on our website: <http://www.telecinco.es>.

This report has been verified by Deloitte, SL

SECTION C.1.14

In section C.1.14, the remuneration of the senior management of Mediaset España and the Group's main companies was included. The remuneration received by Mediaset España executives in 2020, including the director of Internal Audit, is included below:

Director general content - Villanueva de Castro, Manuel
Director of Technologies Division - Fernández Aranda, Eugenio
Director of the Economic and Financial Division - Uria Iglesias, Javier
Director of the Antena Division - Marco Jorge, Patricia
Director of Content Production Division - Baltanás, Leonardo
Director of Content Production Division - Jaime Guerra González
Director of Film and Acquisition Rights Division - Barrois, Ghislain
Director of Communication and External Relations Division - Drago, Mirta
Director of the News Division - Valentín Padín, Juan Pedro
Director of Informational Division Telecinco - Piqueras Gómez, Pedro
Internal Audit Director - Santamaría Barrio, Angel
Director of Special Productions Division - Silvestroni, Giuseppe
Total: 5,769,312 euros

This Annual Corporate Governance Report was approved by the Board of Directors of the company in its meeting held on:

24/02/2021.

Indicate whether any director voted against or abstained from approving this report.

Yes

No

Mediaset España Comunicación, S.A.

Auditor's report on the "Information
relating to the System of Internal Control
over Financial Reporting (ICFR)" for 2020

24 February 2021

*Translation of a report originally issued in Spanish. In
the event of a discrepancy, the Spanish-language
version prevails.*

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

AUDITOR'S REPORT ON THE "INFORMATION RELATING TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)" OF MEDIASET ESPAÑA COMUNICACIÓN, S.A. FOR 2020

To the Directors of
Mediaset España Comunicación, S.A.,

As requested by the Board of Directors of Mediaset España Comunicación, S.A. ("the Entity") and in accordance with our proposal-letter of 08/02/21, we have applied certain procedures to the accompanying "Information relating to the ICFR system" included in section F of the Annual Corporate Governance Report, "SYSTEMS OF INTERNAL CONTROL AND RISK MANAGEMENT IN CONNECTION WITH FINANCIAL REPORTING (ICFR)" of Mediaset España Comunicación, S.A. for 2020, which summarises the internal control procedures of the Entity in relation to its annual financial reporting.

The directors are responsible for adopting the appropriate measures in order to reasonably guarantee the implementation, maintenance and supervision of an adequate internal control system and for making improvements to that system and for preparing and establishing the content of the accompanying Information relating to the ICFR system.

It should be noted in this regard, irrespective of the quality of the design and operating effectiveness of the internal control system adopted by the Entity in relation to its annual financial reporting, that the system can only permit reasonable, but not absolute, assurance in connection with the objectives pursued, due to the limitations inherent to any internal control system.

In the course of our audit work on the financial statements and pursuant to Technical Auditing Standards, the sole purpose of our assessment of the internal control of the Entity was to enable us to establish the scope, nature and timing of the audit procedures to be applied to the Entity's financial statements. Therefore, our assessment of internal control performed for the purposes of the aforementioned audit of financial statements was not sufficiently extensive to enable us to express a specific opinion on the effectiveness of the internal control over the regulated annual financial reporting.

For the purpose of issuing this report, we applied exclusively the specific procedures described below and indicated in the *“Guidelines on the Auditor’s Report on the Information relating to the System of Internal Control over Financial Reporting of Listed Entities”*, published by the Spanish National Securities Market Commission (CNMV) on its website, which establish the work to be performed, the minimum scope thereof and the content of this report. Since the work resulting from such procedures has, in any case, a reduced scope that is significantly less extensive than that of an audit or a review of the internal control system, we do not express an opinion on the effectiveness thereof, or on its design or operating effectiveness, in relation to the Entity's annual financial reporting for 2020 described in the accompanying Information relating to the ICFR system. Therefore, had we applied procedures additional to those established in the aforementioned Guidelines or performed an audit or a review of the system of internal control over the regulated annual financial reporting, other matters or aspects might have been disclosed which would have been reported to you.

Also, since this special engagement does not constitute an audit of financial statements and is not subject to the audit regulations in force in Spain, we do not express an audit opinion in the terms provided for in those regulations.

The procedures applied were as follows:

1. Perusal and understanding of the information prepared by the Entity in relation to the ICFR system -disclosure information included in the directors’ report- and assessment of whether this information will address all the information required in accordance with the minimum content described in section F, relating to the description of the ICFR system, of the model Annual Corporate Governance Report established in Spanish National Securities Market Commission (CNMV) Circular 5/2013, of 12 June 2013, and subsequent amendments thereto, the most recent of which is CNMV Circular 1/2020, of 6 October (*“the CNMV Circulars”*).
2. Inquiries of the personnel responsible for preparing the information detailed in point 1 above for the purpose of: (i) obtaining an understanding of the preparation process; (ii) obtaining the information required to assess whether the terminology used complies with the definitions of the reference framework; and (iii) obtaining information on whether the control procedures described have been implemented and are in use at the Entity.
3. Review of the explanatory documents supporting the information detailed in point 1 above, including mainly documents directly made available to those responsible for describing the ICFR system. In this regard, the aforementioned documentation includes reports prepared by the Internal Audit Department, senior executives and other internal or external specialists providing support functions to the Audit and Compliance Committee.
4. Comparison of the information detailed in point 1 above with the knowledge of the Entity's ICFR system obtained through the procedures applied during the financial statement audit work.

5. Perusal of the minutes taken at meetings of the Board of Directors, the Audit and Compliance Committee and other committees of the Entity in order to assess the consistency of the ICFR system issues addressed at those meetings with the information detailed in point 1 above.
6. Obtainment of the representation letter concerning the work performed, duly signed by the personnel responsible for preparing the information detailed in point 1 above.

The procedures applied to the Information relating to the ICFR system did not disclose any inconsistencies or incidents that might affect the information.

This report has been prepared exclusively in the context of the requirements established in Article 540 of the Consolidated Spanish Limited Liability Companies Law and in the CNMV Circulars for the purposes of the description of the ICFR system in Annual Corporate Governance Reports.

DELOITTE, S.L.



Fernando García Beato
24 February 2021