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**ANNUAL REPORT OF THE APPOINTMENTS AND
REMUNERATION COMMITTEE 2020**

I.- Creation:

The Appointments and Remuneration Committee was created by agreement of the Board of Directors of Mediaset España Comunicación, S.A.. in its meeting held on the 20th May 2004 and came into force after Mediaset España Comunicación, S.A. began listing on the stock market, on the 24th June 2004. The company joined the IBEX 35 on 3rd January 2005.

II.- Composición:

The Appointments and Remuneration Committee consists of (4) members, who are also members of the Board of Directors, all external directors and appointed by the Board of Directors. Since its creation in 2004, the Commission has had two Independent Directors.

In addition, following that which is established in both the Articles of Association and the Board of Directors Regulations, and in accordance with the corporate governance rules, since the listing date of Mediaset España Comunicación, S.A., an Independent Director has occupied the position of Chairman.

The last modification to the composition of the Appointments Committee, was in December 2017 as a result of the resignations presented as members of the Board of Directors, by Mr. Angel Duráñez Adeva, Mr. José Ramón Álvarez Rendueles and Mr. Borja Prado Eulate of which the last two had been forming part of the Committee.

Said Directors have resigned due to the expiration of the legally established term so that they could continue to be considered Independent Directors, a position they had been holding, and with the purpose of allowing the Board and the Committees of the Company to maintain their structure and composition in accordance with the different categories of directors legally established and, in particular, in relation to the presence of independent directors.

These vacancies have been filled through the appointment, by co-option, as new directors of Mediaset España, with the status of independent directors, of Ms. Consuelo Crespo Bofill, Ms. Cristina Garmendia Mendizábal and Mr. Javier Diez de Polanco at the General Meeting of Shareholders of the Company held on 18th April 2018.

Since then, the Appointments and Remuneration Committee has the following composition:

Ms. Consuelo Crespo Bofill	President	Independent Director
Ms. Cristina Garmendia Mendizábal	Member	Independent Director
Mr. Fedele Confalonieri	Member	External Dominical Director
Mr. Niccoló Querci	Member	External Dominical Director

Since its creation, the changes to the Audit and Compliance Committee have been aimed at gradually strengthening its independence with regards to the internal management of the Company, as a consequence, no Internal Director has become part of the committee, but it has established the presence of independent directors within it. Therefore, the Appointments and Remuneration Committee's composition in percentage is as follows:

Executive Directors	0%
External proprietary Directors	50%
Independent Directors	50%

The current composition of the Board of Directors and the Companies' other Committees are as follows:

Board of Directors:

- 1) Mr. Alejandro Echevarría (Chairman).
- 2) Mr. Fedele Confalonieri (Vice Chairman)
- 3) Ms. Gina Nieri.
- 4) Mr. Niccoló Querci.
- 5) Mr. Marco Giordani.
- 6) Mr. Paolo Vasile (CEO).
- 7) Mr. Borja Prado.
- 8) Mr. Javier Díez de Polanco
- 9) Ms. Consuelo Crespo Bofill
- 10) Ms. Cristina Garmendia Mendizábal
- 11) Mr. Massimo Musolino.
- 12) Mr. Mario Rodríguez Valderas (Secretary).

Executive Committee:

- 1) Mr. Alejandro Echevarría (Chairman).
- 2) Mr. Fedele Confalonieri.
- 3) Mr. Marco Giordani.
- 4) Mr. Borja Prado.
- 5) Mr. Javier Díez de Polanco.
- 6) Mr. Paolo Vasile.

Audit Committee:

- 1) Mr. Javier Díez de Polanco (Chairman).
- 2) Ms. Consuelo Crespo Bofill.
- 3) Ms. Cristina Garmendia.
- 4) Mr. Fedele Confalonieri.
- 5) Mr. Marco Giordani.

III. Regulation:

The Appointments and Remuneration Committee is regulated by the Articles of Association, whose current version was approved at the Shareholders Annual General Meeting on 15th April 2015, and the Regulations of the Board of Directors and in the Regulations of the Committee, whose last amendments were approved on December 23rd 2020.

Thus, the rules that regulate the composition and functioning of the Appointments and Remuneration Committee have been fully aligned with the latest regulatory amendments to the Law 31/2014, of December 3rd amending the Companies Act for the improvement of corporate governance, by Royal Decree-law 18/2017, of November 24th, on nonfinancial information and diversity (replaced by Law 11/2018, of 28 December, which amends the Commercial Code, the revised text of the Spanish Companies Act (LSC), and Law 22/2015, of 20 July, on the Auditing of Accounts, with regard to non-financial information and diversity).

In addition, the latest amendments to the Regulations, dated 23 December 2020, include the adaptations derived from the CNMV's Code of Good Governance of June 2020 (also in line with Technical Guide 1/2016 on good practices for the application of the "comply or explain" principle) and, in line with this, Circular 1/2020 of 6 October, of the CNMV amending the models of the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as well as certain amendments derived from other regulations (including the LSC itself), the CNMV's Technical Guide 1/2019 on appointments and remuneration committees (the "Technical Guide 1/2019") and the necessary coordination with the Board of Directors' Regulations.

IV.- Functions:

The general functions of the Appointments and Remuneration Committee are contained in the Articles of Association and the Board of Directors Regulations.

But it is the Appointments and Remuneration Committee Regulations, which includes, but is not limited to, the generic and specific functions of the Committee:

- (a) To protect the integrity of the process of hiring directors and senior executives, to ensure that the candidates meet the required profile (in terms of knowledge, experience and skills) and, in particular, to make proposals to the Board of Directors on appointing or dismissing directors, as well as to propose to the Board who the members of each of the Committees should be. The Committee will consider potential candidates to fill vacancies on the Board, proposed by any of its members.

- (b) Establish and periodically assess the skills, knowledge and experience required on the Board of Directors. For these purposes, it shall define the duties and skills required of the candidates to fill each vacancy and shall assess the time and dedication necessary for the directors to effectively perform their duties, ensuring that the non-executive directors have sufficient time available for the proper performance of their duties
- (c) To advise on the number of boards on which the members of the Board of Directors may sit. A report shall be issued by the Committee on members of the Board of Directors before they join the boards of directors of other companies.
- (d) To obtain information defining the other professional duties of the directors.
- (e) To advise the Board of Directors on replacements for the Chairman and senior executives in the Company, and where appropriate, make proposals to the Board of Directors for such transition to take place in an orderly and planned manner, drawing up a succession plan to this effect.
- (f) Present the Board of Directors, with proposals for, the appointment of independent directors who are to be appointed by co-optation or, for the consideration of the General Meeting, as well as, the proposals for re-election or removal of such Directors by the General Meeting of Shareholders.
- (g) Report on appointment proposals of the remaining Directors for their appointment by co-optation or for the consideration of the General Meeting and the proposals for re-election or removal by the General Meeting.
- (h) To inform the Board of Directors on any appointments and dismissals of senior executives which may take place within the Company and propose the basic conditions of their contracts.
- (i) To advise the Board of Directors on the development and application of a Policy on Diversity and selection of directors from among its members, which shall be reported in the Annual Corporate Governance Report. This policy should aim to
 - a. Include a number of women on the board of directors that allows for a balanced presence of women and men;
 - b. That the selection procedures for directors do not hinder the selection of female directors.
- (j) To advise the Board of Directors on the dismissal and appointment of the Secretary.

- (k) To see to it that the directors perform their obligations and duties as foreseen in these Rules and in the Articles of Association.
- (l) Periodically review the remuneration policy applied to directors and senior management, including remuneration systems involving shares and its application, as well as ensuring that individual remuneration is proportionate to that of the other directors and senior executives of the Company.
- (m) To see to the transparency of remunerations and that information on the remuneration of the directors is included in the Annual Report and in the Annual Governance Report, submitting to the Board all such information as may be in order to that effect.
- (n) To assist the Board of Directors in evaluating the Chairman of the Committee and the senior executives in the Company; and specifically, to assist in determining and monitoring the remuneration policy for directors and senior executives, proposing the form, procedure and amount of the annual remuneration of the directors (including any proposed incentives such as share option schemes), regularly revising the remuneration plans and seeking to ensure the remuneration of the directors meets criteria of moderation and adequacy in the light of the Company's results.
- (o) To draw up and verify a Report on the Policy of Directors' Remuneration for approval by the Board of Directors, to be presented before the General Shareholders' Meeting.
- (p) To advise the Board of Directors on the status which each director should be awarded when he is appointed or renewed in his position, and to revise it annually when the Annual Corporate Governance Report is drawn up.

V.- Meetings.

During 2020, the Appointments and Remuneration Committee has met on two occasions:

1) Meeting held on 26th February 2020, with the following Agenda:

- a) Approval of the Appointments and Remuneration Committee's Annual Activity Report 2019.
- b) Formulation of the 2019 Directors' Remuneration Report.

- c) Board of Directors' Remuneration in 2020: Chairman, CEO and Members.
- d) Multi-year incentive and loyalty plan for executives 2020.
- e) Auto-evaluation of the Board and its Committees: Results.
- f) Substitution in the composition of the Audit and Compliance Committee.
- g) Questions and answers. Substitution
- h) Drafting and, where appropriate, adoption of the Minutes of the Meeting.

2) Meeting held on 29th April 2020, with the following Agenda:

- a) Proposed modification of the 2020 Remuneration Plan due to the effect of the Covid-19 pandemic situation.
- b) Questions and answers.
- c) Drafting and, where appropriate, adoption of the Minutes of the Meeting.

3) Meeting held on 29 de julio de 2020, with the following Orden del Día:

- a) Setting of the variable remuneration for the Chairman and Chief Executive Officer for the financial year 2020.
- b) Questions and answers.
- c) Drafting and, where appropriate, adoption of the Minutes of the Meeting.

4) Meeting held on 23 de diciembre de 2020, with the following Orden del Día

- a) Auto-evaluation of the Board and its internal Committees. Approval and launch of the process.
- b) Modification of the Appointments and Remuneration Committee's Regulations.
- c) Questions and answers.
- d) Drafting and, where appropriate, adoption of the Minutes of the Meeting.

VI.- Activity Report:

For a better understanding of the activities undertaken by the Appointments and Remuneration Committee during 2020, they have been divided into two main groups:

A. Remuneration

B. Corporate Governance

A. Remuneration:

The Appointments and Remuneration Committee has intervened in the following aspects during 2020:

- It has proposed verified compliance with the criteria on which the accrual of the variable remuneration corresponding to the Chief Executive Officer and the Chairman in the financial year 2019 was based, quantified its amount and submitted the corresponding proposal to the Board of Directors.
- It proposed the fixed and variable remuneration of the Chief Executive Officer and the Chairman of the Board of Directors for 2020.
- It has advised the Board of Directors on the review of their remuneration for the financial year 2020.
- Proposed the revision of the remuneration policy for the financial year 2020 in view of the situation created by the Covid-19 pandemic.
- Proposed the Annual Report on Directors' Remuneration 2020
- Reported on the level of compliance with the objectives on which the level of accrual of the multi-year Incentive and Loyalty Plan for Executives for the three-year period 2017-2019 depended.
- It reported on the implementation of the multi-year Incentive and Loyalty Plan for Executives for the three-year period 2020-2022.

To this end, the Committee has been in permanent contact with the Chairman of the Company, the Chief Executive Officer, its General Managers and the Human Resources Director, with whom it has held regular meetings.

B. Corporate Governance

The Appointments and Remuneration Committee was involved in the following aspects during 2020:

- It has led the auto-evaluation process of the Board of Directors, the Committees, the Chief Executive Officer and the Chairman.
- It has participated in the process of adapting the internal rules on Corporate Governance, particularly in the modification of its Regulations.
- It has analysed and proposed the Annual Report on Directors' Remuneration 2020.

VII. Functioning of the Shareholders General Meeting.

During 2020, two General Shareholders' Meetings were held on the following dates:

1.- Extraordinary General Shareholders' Meeting held on 5 February 2020, at 12:00 noon, on single call, attended by 753 shareholders present and 958 shareholders represented, all of them holding 229,707,625 shares, excluding treasury shares, representing 70.154% of the Company's share capital.

Prior to the meeting, the notice of meeting was published sufficiently in advance, together with the agenda and the proposed resolutions previously approved by the Board of Directors. From the moment the meeting was convened, all the documentation relating to the meeting was made available to the shareholders.

The following resolutions were passed by majority:

First. Amendment of certain points of the proposed Articles of Association of the absorbing company (Mediaset Investment, N.V.), of the "Terms and Conditions of the Absorbing Company" and of the "Terms and Conditions of the Absorbing Company".), of the "Terms and Conditions of the Special Voting Shares", of the "Terms and Conditions for the Initial Allotment of the Special Voting Shares A - Mediaset" and of the "Terms and Conditions for the Initial Allotment of the Special Voting Shares A - Mediaset España", all of which were approved by the extraordinary general shareholders' meeting of the Company on 4 September 2019 as part of the documentation attached to the cross-border merger agreement of Mediaset España Comunicación, S.A., Mediaset, S.p.A., and Mediaset Investment N.V., as well as the information regarding the composition of the board of the absorbing company contained in such agreement.

Second.- Delegation of powers.

2.- Ordinary General Shareholders' Meeting held on 10 June 2020, at 12:00 p.m. on single call, with the attendance of 608 shareholders present and 859 shareholders represented, all of them holding 238,104,561 shares, excluding treasury shares, representing 72.718% of the share capital of the Company.

Prior to the holding of the meeting, the call together with the Agenda and the proposal of resolutions previously approved by the Board of Directors was published sufficiently in advance. From the time the call was made all documentation relating to the General Meeting was available to shareholders.

The following resolutions were approved by a majority:

Item One.- Examination and approval of the annual accounts, both the individual accounts of Mediaset España Comunicación, S.A. and the consolidated accounts of its group of companies, for the financial year ended on 31 December 2019.

Item Two.- Examination and approval of the non-financial information of Mediaset España Comunicación, S.A. and its consolidated group of companies for the financial year ended on 31 December 2019

Item Three.- Examination and approval of the proposal for the allocation of the result obtained in the 2019 financial year..

Item Four.- Examination and approval of the management and performance of the board of directors during the 2019 financial year.

Item Five.- Maintenance of the number of directors at 13.

Item Six.- Authorisation for the executive directors and the senior management to receive part of the variable remuneration accrued in the 2019 financial year in the form of shares of the Company..

Item Seven.- Appointment of statutory auditors for both Mediaset España Comunicación, S.A. and its consolidated group of companies.

Item Eight.- Advisory vote on the “2019 Annual Directors’ Remuneration Report” of Mediaset España Comunicación, S.A..

Item Nine.- Delegation of powers to formalise, interpret, rectify, and execute the previous resolutions, as well as to substitute the powers that the board of directors may receive from the General Meeting.

VIII.- Functioning of the Board of Directors.

The Board of Directors met thirteen (13) times, with a very high attendance of its members. All meetings were chaired by its Chairman and, the General Operations ‘Manager, who is also a member of Board of Directors attended.

The call, preparation of the Agenda and provision of information have been made according to the rules established in the Articles of Association and the Board of Directors Regulations.

As for the other decision-making bodies, the Executive Committee met three (2) times and the Audit and Compliance Committee met five (6) times, in both cases the majority of their members attended; Minutes were recorded of all meetings.

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