

APPENDIX I
ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED COMPANIES

ISSUER'S IDENTIFICATION

FISCAL YEAR CLOSING DATE

12/31/2019

CIF

A87498564

COMPANY NAME

PROSEGUR CASH, S.A.

REGISTERED OFFICE

SANTA SABINA, 8, MADRID

STANDARD ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED COMPANIES

A. COMPANY REMUNERATION POLICY FOR CURRENT YEAR

A.1 Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the general shareholders' meeting, provided that these references are clear, specific and concrete.

The specific determinations for the year in progress should be described, both as regards the remuneration of directors for their directorships and for their performance of executive functions pursuant to the contracts signed with executive directors and to the remuneration policy approved by the general shareholders' meeting.

In any event, at minimum, the following aspects should be reported:

- Description of the procedures and company bodies involved in determining and approving the remuneration policy and its terms and conditions.

The compensation system of the directors of the Company is provided for in Article 27 of the Company's Bylaws, which in this respect provide as follows:

- The position of director is remunerated. Notwithstanding the foregoing, shareholder-appointed (proprietary) directors who at the same time hold directorships in the parent company shall not be remunerated for their directorships in the Company.

- With the exceptions provided for in the previous point, the Director's remuneration for their directorship (i.e., not for any executive functions) shall consist of a fixed yearly amount and per diems for attending each meeting of the Board of Directors and its Committees. The remuneration the Company may pay to its directors as a whole for their directorships shall not exceed the upper limit set for that purpose by the shareholders in General Meeting, which shall remain in force until this body resolves that it be changed. The Board of Directors shall determine, upon the proposal of the Numeration and Remuneration Committee, the exact amount to be paid within that ceiling and how it is distributed amongst the directors.

- Furthermore, directors who perform executive functions, whatever the nature of their legal relationship with the Company, shall be entitled to receive the remuneration covenanted for said functions, including, if applicable, participation in such incentives systems as may be generally put in place for the senior management of the Company. Said incentives may include award of shares or share options, or remuneration referenced to the share price, in all events subject to the provisions of the legislation in force from time to time. In the event of termination of said functions, they may be entitled, on the terms and conditions approved by the Board of Directors, to appropriate financial compensation. The remuneration receivable for the above items and other terms and conditions of the relationship shall be set out in the relevant contract, which must be approved by the Board of Directors with the favourable vote of at least two-thirds of its members. The affected director must refrain from attending those deliberations and participating in the voting.

- The directors remuneration policy shall conform as applicable to the remuneration system provided for in this article and be approved by the General Meeting at least every three years as a

separate point on the agenda.

The Company's remuneration policy thus distinguishes between remuneration for performing the duties of the directorship and remuneration for the performance of executive functions by executive directors.

In accordance with the above, Article 29.2 of the Regulations of the Board of Directors of the Company provides that the Board and the Nomination and Remuneration Committee shall adopt all available measures to ensure that the remuneration of external (non-executive) directors complies with the following guidelines:

- a) External directors should be remunerated according to their actual dedication.
- b) External directors should be excluded from pension and benefit schemes funded by the Company for termination, death or other events.
- c) The remuneration of external directors should be calculated so that it offers incentives for their dedication but does not constrain their independent judgment.

Furthermore, Article 29.4 of said Regulations provided that the Board of Directors shall procure that the director's remuneration be in line with what is paid in the market in companies of similar size and activity and that the variable remuneration, where applicable, take into account the professional performance of the beneficiaries and does not merely mirror the general performance of the market.

The remuneration policy seeks to compensate the directors of the Company in a manner that reflects their dedication and the duties taken on, and is commensurate with that paid at comparable companies at the national and international level, taking into consideration the long-term interests of the shareholders as a whole.

For executive directors, the key is to offer compensation systems that make it possible to attract, retain, and motivate first-class, outstanding professionals to achieve the strategic objectives within the ever more competitive and internationalised framework in which the Company operates.

The Remuneration Policy is therefore based on the following principles and criteria:

- Creating long-term value for the Company, aligning remuneration systems with the strategic plan.
- Attracting, motivating and retaining the best professionals.
- Responsible achievement of objectives, in accordance with the Company's risk management policy.
- Transparency in the remuneration policy.

According to the Company Bylaws, the General Meeting of Shareholders of the Company is responsible for approving the remuneration policy for the Company's directors. The directors Remuneration Policy approved by the General Shareholders' Meeting of 6 February 2017 was in force during the years 2017, 2018 and 2019.

The General Shareholders' Meeting of the Company held on 6 February 2017 also resolved to set the aggregate maximum remuneration payable by the Company to its directors for their directorships at 1,500,000 euros. According to Article 27.2 of the Company Bylaws, that maximum amount will remain in force until its modification is approved by General Meeting, which has not happened to date.

In addition, the Board of Directors on 6 February 2017 approved the contracts with the Executive Chairman (Mr. Christian Gut Revoredo) and the Chief Executive Officer (Mr. Jose Antonio Lasanta Luri), in which the terms and conditions of their remuneration as executive directors are regulated.

At its meeting of 26 February 2019, the Board of Directors approved, at the proposal of the Nomination and Remuneration Committee and in accordance with the framework set out in the Bylaws and in the Directors Remuneration Policy in force, the terms and conditions of director remuneration for 2018.

Lastly, the Nomination and Remuneration Committee is the body that at the end of the financial

year determines the specific amount of the short-term variable remuneration and, if applicable, of the medium and long-term variable remuneration receivable by the executive and non-executive directors for the year, on the basis of the Remuneration Policy approved by the General Meeting and implemented by the Board of Directors, and informs the Board of Directors thereof for its approval or otherwise.

- Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.

The remuneration parameters included in the relevant policies in place at companies with comparable businesses, sizes and structures were taken into account when establishing the terms and conditions of the Company's Remuneration Policy.

- Information on whether any external advisors took part in this process and, if so, their identity.

No external advisor directly participated in the preparation of the Remuneration Policy.

- Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their determination and to guarantee a suitable balance between the fixed and variable components of the remuneration. In particular, state the actions adopted by the company in relation to the remuneration system to reduce exposure to excessive risks and adapt this to the long-term objectives, values and interests of the company, which will include, as the case may be, mention of the measures to guarantee that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of staff whose professional activities have a material impact on the risk profile of the company and measures to avoid conflict of interest, as the case may be.

Furthermore, state whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or the handover of accrued and vested financial instruments, or if any clause has been agreed that reduces the deferred remuneration or that obliges the director to return remuneration received, when such remuneration has been based on certain figures that have clearly been shown to be inaccurate.

The only directors who receive variable remuneration are the Executive Chairman and the Chief Executive Officer. The remuneration packages of both include a fixed component, a short-term variable component (annual bonus) and a medium and long-term variable component (long-term incentive (LTI)), per the following description:

- The fixed remuneration of executive directors is determined taking into account the content of the executive functions assigned to them and considering that this part of the remuneration must be in line with what is paid in the market by companies of comparable capitalization, volume and international projection. When it accrues, in any event, it serves to limit risk exposure.

In relation to the amounts fixed for performance of senior management functions by executive directors, with the commencement of the new Strategic Plan 2018-20 an adjustment to the fixed remuneration of the Chairman and of the Chief Executive Officer was approved for that period, given that the conditions do not change within the duration of each Plan. The terms of the Executive

Chairman's remuneration had not varied since 2015.

To determine the remuneration of the Board for 2018, a report on market remuneration was requested from the outside consultancy of Willis Towers Watson, experts in compensation matters. Said firm presented a report on the remuneration of the Chairman and the Chief Executive Officer compared with similar offices in companies considered comparable in terms of revenue, number of employees and market capitalization.

Having regard to that report, the Nomination and Remuneration Committee made a proposal for the new terms and conditions of the remuneration of the Chairman and the Chief Executive Officer, which was presented to the Board of Directors on 26 February 2018 for approval. Those amounts were maintained in 2019 since no substantial changes in the conditions under which they were established have been considered to have taken place.

- The short-term variable remuneration (annual bonus) is payable in cash and must be tied, in large part, to the Company's achievement of economic-financial objectives, as well as to the attainment of personal objectives, the achievement and degree of attainment of which are evaluated by the Nomination and Remuneration Committee on the basis of the results obtained. The Nomination and Remuneration Committee also considers the quality of the results in the long term, any associated risk in the proposed variable remuneration and other relevant aspects such as the impact of the exchange rate or similar questions. The target and maximum amount shall not exceed 80% and 150%, respectively, of the annual fixed remuneration. All of this avoids excessive risk-taking.

The variable remuneration was also reviewed in 2018, according to the procedure described above. Similarly, they have been maintained in 2019 since no substantial changes in the conditions under which they were established have been considered to have taken place.

- The medium and long-term variable remuneration (long-term incentive — LTI) is tied, in large part, to the Company's performance as measured by certain economic-financial parameters set in the LTI itself and that are aligned with its strategic objectives, with a view to contributing to retaining and motivating executive directors and to long-term value creation. The plan now in force (Long-Term Incentive Plan (LTI) 2018-2020) has a time horizon of three years that is coterminous with the Group's strategic plan for the 2018-2020 triennium, and its objectives are mainly referenced to the creation of value at the global level or unit level (region or country). The incentive that is receivable, where applicable, is referenced 100% (in the case of the Executive Chairman) or 50% (for the Chief Executive Officer) to shares of Prosegur Cash and the rest is in cash. Finally, the long-term incentive plan generally requires that beneficiaries remain at the Company at the time payment becomes due and payable. All of this limits the exposure to excessive risk-taking and adjusts the LTI to the Company's strategic objectives and profitability.

Lastly, the contracts of executive directors contain an undertaking to return any variable remuneration (annual or multi-year) received if it is demonstrated that payment thereof did not meet the stipulated performance conditions or was made on the basis of data subsequently found to be misstated.

The remuneration mix thus offers a reasonable balance in terms of time horizon and proportionality between compensation and objectives, as it has regard to the duties entrusted to the directors, to personal objectives and economic-financial corporate objectives in the short term and to the strategic objectives and creation of value long term, combined with payment deferral arrangements, share-based payment and the existence of clawback clauses.

- Amount and nature of fixed components that are due to be accrued during the year by directors for their status as such.

Based on a proposal from the Appointments and Remuneration Committee, the Board of Directors adopted a resolution at the meeting held on 25 February 2019 to maintain the fixed components of the Board of Directors' remuneration established for 2018. As a result, the fixed components of directors' remuneration for holding their positions in 2019 have been established at the following

amounts:

- Board of Directors: fixed yearly remuneration of 52,000 euros with a per diems allowance of 1,650 euros, for both the Chairman and Committee Members.
- Audit Committee: fixed yearly remuneration of 30,000 euros for the Chairman and Committee Members; both positions had a per diems allowance of 1,650 euros.
- Nomination and Remuneration Committee: fixed yearly remuneration of 16,000 euros for the Chairman and 13,000 for the Committee Members; in both cases with a per diems allowance of 1,250 euros.
- Vice Chairman: 100,000 euros

Pursuant to Article 27.1 of the Company Bylaws, the proprietary directors of the Company who are also executives of Prosegur Compañía de Seguridad, S.A. are not eligible for the above remuneration.

- Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

Based on a proposal from the Appointments and Remuneration Committee, the Board of Directors adopted a resolution at the meeting held on 25 February 2019 to maintain the fixed components of the remuneration for executive directors established for 2018. As a result, the fixed components of remuneration for executive directors in 2019 have been established at the following amounts:

- Executive Chairman: 460,000 euros
- Chief Executive Officer: 275,000 euros (including the compensation for the post-contractual no-compete clause)

- Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid for the benefit of the director.

Only the Chief Executive Officer enjoys remuneration in kind consisting of life and accident insurance, medical insurance, yearly health checkup and company vehicle, in all cases within the limits set forth in the Remuneration Policy.

- Amount and nature of variable components, differentiating between those established in the short and long term. Financial and non-financial, including social, environmental and climate-change parameters selected to determine variable remuneration in the year in progress, explaining the extent to which these parameters are related to performance, both of the director and of the company and to their risk profile, and the methodology, required timeframe and techniques established to determine the degree of compliance with the parameters used in the design of the variable remuneration at the end of the year.

State the range, in monetary terms, of the different variable components according to the degree of compliance with the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

The Executive Chairman and the Chief Executive Officer are the only directors with annual variable

remuneration, which is pegged to objectives, on the following terms for 2019:

- Executive Chairman: target amount of 307,500 euros gross and maximum of 461,250 euros gross.
- Chief Executive Officer: target amount of 137,500 euros gross and maximum of 206,250 euros gross.

Attainment of that variable remuneration is directly tied to the level of attainment of the Company's economic-financial objectives, as well as to the achievement of personal objectives. These objectives are set taking into account their importance for the Company and the creation of sustainable value.

The Executive Chairman and the Chief Executive Officer also receive a year-on-year variable remuneration, under the Company's Long-Term Incentive Plan 2018-2020 that was approved by the Company's shareholders in their General Meeting of 28 May 2018. That plan covers the years 2018 to 2020.

- The Executive Chairman was allocated 881,903 shares of the Company as total theoretical amount for the period 2018-2020. The maximum would be 1,322,855 Company shares.
- The Chief Executive Officer was assigned a target incentive of 412,500 euros and 152,214 shares of Prosegur Cash as total theoretical amount for the period 2018-2020. The maximums would be 618,750 euros and 228,321 shares of Prosegur Cash.

The incentive, in the case of the Executive Chairman, is 100% in shares and, for the Chief Executive Officer, 50% in cash and 50% in shares, with a general vesting clause for the beneficiaries requiring that they remain at the Company at the time the amount becomes due and payable.

The LTI objectives are tied to value creation for the Company on a global or unit level (region or country) according to the position held and the scope of responsibility of the beneficiary and, when deemed appropriate, to personal objectives. Value creation for the Company is calculated based on relevant metrics for the business such as EBITA, debt, CAPEX, etc. during the reference period.

- Main characteristics of long-term savings systems. Among other information, state the contingencies covered by the system, whether through defined contributions or benefits, the annual contribution that needs to be made to the defined contribution system, the benefits directors are entitled to in the case of defined benefit systems, the conditions under which economic rights vest for directors and their compatibility with any other type of payment or severance pay for early termination or dismissal of the director, or deriving from the termination of the contractual relation, in the terms provided, between the company and the director.

State if the accrual or vesting of any of the long-term savings plans is linked to achieving certain objectives or parameters related to the short- or long-term performance of the director.

Does not apply. There are no long-term savings systems.

- Any type of payment or severance pay for early termination or dismissal of the director, or deriving from the termination of the contractual relation, in the terms provided, between the company and the director, whether voluntary resignation by the director or dismissal of the director by the company, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, permanence or loyalty, which entitle the director to any type of remuneration.

Except in the case of the Company CEO, he is not entitled to receive any indemnity for

termination of his duties as director.

The contract of the CEO provides that he is entitled to compensation of 500,000 euros gross, in the event of termination of the contract (i) at the will of the Company, not due to serious and reiterated breach of his duties as CEO, (ii) at the will of the CEO based on serious and reiterated breach by the Company of its obligations or (iii) by mutual agreement.

- State the conditions that contracts should respect for those exercising senior management functions as executive directors. Among other questions, information should be provided on the duration, limits on amounts of indemnification, minimum contract term clauses, notice periods and payment in lieu of these notice periods, and any other clauses relating to hiring bonuses, indemnification and golden parachute clauses for early termination of the contractual relationship between the company and the executive director. Include, among others, the covenants or agreement on non-competition, exclusivity, permanence and loyalty, and post-contractual non-competition, unless these have been explained in the previous section.

The basic terms of the contracts of the Executive Chairman and the CEO are the following:

(i) Term

The contract of the executive directors of the Company entered into are for an indefinite term.

The contract of the Executive Chairman can be terminated freely at any time at the initiative of either party, by notice in writing to the other party without the need for advance notice and without the Executive Chairman being entitled to any type of indemnity or compensation for said termination.

The CEO's contract can be terminated freely at time by the Company, without prior notice and subject to the resultant indemnity set forth below. The CEO can freely terminate the contract and resign from his position at any time, with minimum advance notice period of three months and with no entitlement to compensation.

(ii) Compensation for termination

The contract of the CEO provides that he is entitled to compensation of 500,000 euros gross, in the event of termination of the contract (i) at the will of the Company, not due to serious and reiterated breach of his duties as CEO, (ii) at the will of the CEO based on serious and reiterated breach by the Company of its obligations or (iii) by mutual agreement.

(iii) Post-contractual no-compete clause

The contract entered into with the CEO has a paid post-contractual no-competition covenant of two years (whatever the cause for termination). In the case of breach, the CEO must reimburse the Company, within a maximum of one month, for the full amount received as compensation for the no-compete covenant since the effective date of his contract until the termination date.

(iv) Compensation clawback clause

The contracts of executive directors contain a commitment to return the corresponding amount of any variable remuneration (annual or multi-year) received where it is found that the payment did not conform to the stipulated performance conditions or was made based on data subsequently found to be misstated.

(v) Exclusivity

With the customary exceptions for contracts of this type, and except for performance of the office of Chief Executive Officer of Prosegur by the Executive Chairman, which is expressly provided for, executive directors undertake to have exclusive dedication to the Company.

(vi) Ethical duties

Executive directors must conduct themselves in accordance with the duties of good faith and loyalty, refraining from participating, directly or indirectly, in situations that could give rise to a conflict of interest between their personal and the Company's interests.

(vii) Professional secrecy

Executive directors undertake to safeguard the professional secrecy of all confidential data and information of the Company to which they have been party in the performance of their duties, and undertake not to engage in any improper use of that information for their own benefit or that of a third party to the detriment of the Company.

- The nature and estimated amount of any other supplementary remuneration accrued by directors in the year in progress in consideration for services rendered other than those inherent in the directorship.

N/A

- Other remunerative items or by-products, as the case may be, of the company granting the director advance payments, loans, guarantees or any other remuneration.

N/A

- The nature and estimated amount of any other planned supplementary remuneration accrued by directors in the year in progress that are not included in the previous sections, whether payment is satisfied by the company or another group company.

N/A

A.2 Explain any significant change in the remuneration policy applicable in the current year resulting from:

- A new policy or a modification of the policy already approved by the general meeting.
- Significant changes in the specific determinations established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.
- Proposals that the board of directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and which are proposed be applied to the current year.

The directors Remuneration Policy approved by the General Shareholders' Meeting of 6 February 2017 will be in force during the years 2017, 2018 and 2019.

In relation to the amounts fixed for performance of senior management functions by executive directors, with the commencement of the new Strategic Plan 2018-20 an adjustment to the fixed remuneration of the Chairman and of the Chief Executive Officer was approved for that period, given that the conditions do not

change within the duration of each Plan. The terms of the Executive Chairman's remuneration had not varied since 2015. A market remuneration report was requested for this purpose from the external consultancy of Willis Towers Watson, experts in compensation matters. Said firm presented a report on the remuneration of the Chairman and the Chief Executive Officer compared with similar offices in companies considered comparable in terms of revenue, number of employees and market capitalization.

- A.3 Identify the direct link to the document where the current company remuneration policy is posted, which must be available on the web page of the company.
https://www.prosegurcash.com/accionistas_inversores/gobierno_corporativo/otros_codigos_y_politicas

https://www.prosegurcash.com/accionistas_inversores/gobierno_corporativo/otros_codigos_y_politicas

- A.4 Explain, taking into account the data provided in Section B.4, how there has been taken into account the shareholders' vote in the general meeting to which the annual report on remuneration for the previous year was submitted on an advisory basis.

The annual report on remuneration for 2018 was practically unanimously approved by shareholders in attendance. The shareholders' approval of the Company's remuneration practices represents an express indication of the remuneration system's alignment with the Company's interests.

B. GENERAL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE YEAR OF REFERENCE

- B.1. Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the board of directors and, if applicable, the identity and the role of the external advisors whose services have been used in the process of implementing the remuneration policy in the year ended.

During 2019, the director remuneration was structured as provided in Article 27 of the Company Bylaws and the Directors Remuneration Policy approved by the General Meeting on 6 February 2017, which remains in force at present.

In determining the individual fixed remuneration earned during 2019 by directors for their duties as directors, the following was considered:

- whether they hold an office on the Board;
- whether they sit on and hold a position in a Board Committee;
- the number of Board meetings and, if applicable, Committee meetings they attended; and
- whether they are proprietary directors and are officers of the Company's parent company.

At the proposal of the Nomination and Remuneration Committee, the parameters of the remuneration policy in force in 2019 were then applied. That policy provides that the remuneration of directors for their directorships as such will consist of a fixed annual sum, that will vary according to the body and the position held, and per diems for attending meetings of the Board of Directors and its Committees. The specific amounts are itemised in section A1 above.

The individual fixed remuneration of the Executive Chairman and the Chief Executive Officer accrued during 2019 was determined applying the amounts approved for 2019 by the Board of Directors at its meeting of 26

February 2018.

For purposes of determining the short-term variable remuneration of the Executive Chairman and of the Chief Executive Officer paid during 2019, the Nomination and Remuneration Committee, having regard to the excellent performance of the Chairman and the Chief Executive Officer and the results achieved in 2018, and to their special contribution to the creation of value in the Group, resolved to propose to the Board of Directors a payment of 90% of the annual incentive of both.

- B. 2. That proposal considered the adjustments that the Nomination and Remuneration Committee deemed appropriate to reflect extraordinary situations (including adjustments not considered in the original Strategic Plan), weighted the effect of inflation/devaluation in one of the countries in which the Company operates and considered other qualitative aspects. Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and adapting them to the long-term objectives, values and interests of the company, including mention of the measures that have been adopted to guarantee that the long-term results of the company have been taken into consideration in the remuneration accrued and that a suitable balance has been attained between the fixed and variable components of the remuneration, the measures that have been adopted in relation to those categories of staff whose professional activities have a material repercussion on the company's risk profile and the measures that have been adopted to avoid conflicts of interest, if appropriate.

With respect to the remuneration of directors for their directorships as such, applying a fixed remuneration is deemed effective for limiting risk exposure and for alignment with the long-term objectives of the Company.

The remuneration of the executive directors (the Executive Chairman and the CEO), as already indicated in section A1 includes a fixed component, a short-term variable component (annual bonus) and a medium and long-term variable component (LTI).

- The fixed remuneration is determined taking into account the content of the executive functions assigned to them and considering that this part of the remuneration should be in line with the market. When it accrues, in any event, it serves to limit risk exposure.
- The short-term variable remuneration (annual bonus) is payable in cash and must be tied, in large part, to the Company's achievement of economic-financial objectives, as well as to the attainment of personal objectives, the achievement and degree of attainment of which are evaluated by the Nomination and Remuneration Committee on the basis of the results obtained. The Nomination and Remuneration Committee also considers the quality of the results in the long term, any associated risk in the proposed variable remuneration and other relevant aspects such as the impact of the exchange rate or similar questions. The target and maximum amount shall not exceed 80% and 150%, respectively, of the annual fixed remuneration. All of this avoids excessive risk-taking.
- The medium and long-term variable remuneration (long-term incentive — LTI) is tied, in large part, to the Company's performance as measured by certain economic-financial parameters set in the LTI itself and that are aligned with its strategic objectives, with a view to contributing to retaining and motivating executive directors and to long-term value creation. The plan has a time horizon of three years coterminous with the Group's Strategic Plan for the 2018-2020 triennium, and its objectives are pegged to creation of value at the global level. The incentive that is receivable, where applicable, is referenced 100% (in the case of the Executive Chairman) or 50% (for the Chief Executive Officer) to shares of Prosegur Cash and the rest is in cash. Finally, the long-term incentive plan generally requires that beneficiaries remain at the Company at the time payment becomes due and payable. All of this limits the exposure to excessive risk-taking and contributes to achieving the right balance between fixed and variable remuneration in the short, medium and

long term.

- The contracts of executive directors contain a commitment to return the corresponding amount of any variable remuneration (annual or multi-year) received where it is found that the payment did not conform to the stipulated performance conditions or was made based on data subsequently found to be misstated.

Lastly, the LTI objectives for other participants in this scheme (other than the executive directors) are tied to the creation of value in the Company at the global or unit level (region or country), according to the position held and the scope of responsibility of the beneficiary and, when deemed appropriate, to personal objectives. Value creation for the Company is calculated based on relevant metrics for the business such as EBITA, debt, CAPEX, etc. during the reference period.

The remuneration mix thus offers a reasonable balance in terms of time horizon and proportionality between compensation and objectives, as it has regard to the duties entrusted to the directors, to personal objectives and economic-financial corporate objectives in the short term and to the strategic objectives and creation of value long term, combined with payment deferral arrangements, share-based payment and the existence of clawback clauses.

B. 3. Explain how the remuneration accrued over the year complies with the provisions contained in the current remuneration policy.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, as the case may be, how variations in the company's performance have influenced changes in the remuneration of directors, including accrued remuneration that has been deferred, and how the latter changes contribute to the short and long-term results of the company.

During 2019, the director remuneration was structured in accordance with the framework set forth in the Company Bylaws and the Company's Remuneration Policy.

The total remuneration earned by directors for their directorships did not exceed the 1,500,000 euros set as ceiling for fixed remuneration by the General Meeting of the Company's shareholders on 6 February 2017, and the individual remuneration of each director was determined applying the compensation items approved by the Board of Directors on 26 February 2018, which have been described in detail in section A1 above.

The individual fixed remuneration earned by the Executive Chairman and the Chief Executive Officer for their executive duties in 2019 was determined by applying the amounts approved by the Board of Directors at its meeting of 26 February 2018, likewise detailed in section A1 above.

Lastly, the variable remuneration of the Executive Chairman and the Chief Executive Officer paid during 2019 was determined on the basis of the results achieved, applying the parameters of the remuneration policy approved by the Board of Directors at its meeting of 6 February 2020 and of the Long-Term Incentive Plan (LTI) 2018/2017, as detailed in section B.6.

B. 4. Report on the result of the advisory vote at the annual general meeting on remuneration in the previous year, indicating the number of votes against that may have been cast:

	Number	% of total
Votes cast	1,362,330,483	90.82%

	Number	% of cast
Votes against	7,730,539	0.57
Votes for	1,352,261,488	99.26
Abstentions	2,338,456	0.17

Remarks

B. 5. Explain how the fixed components accrued during the year by the directors for their directorships have been determined and how they have changed with respect to the previous year.

The fixed components of the remuneration of the Board of Directors in 2019 for their directorships as such have been determined having regard to the following amounts:

- Board of Directors: fixed yearly remuneration of 52,000 euros with a per diems allowance of 1,650 euros, for both the Chairman and Committee Members.
- Audit Committee: fixed yearly remuneration of 30,000 euros for the Chairman and Committee Members; both positions had a per diems allowance of 1,650 euros.
- Nomination and Remuneration Committee: fixed yearly remuneration of 16,000 euros for the Chairman and 13,000 for the Committee Members; in both cases with a per diems allowance of 1,250 euros.
- Vice Chairman: 100,000 euros

Pursuant to Article 27.1 of the Company Bylaws, the proprietary directors of the Company who are also executives of Prosegur Compañía de Seguridad, S.A. are not eligible for the above remuneration.

The above amounts for the fixed components of the aggregate remuneration of the Board of Directors established for 2019 are the same as those for 2018.

B. 6. Explain how the salaries accrued by each one of the executive directors over the past financial year for the performance of management duties were determined, and how they have changed with respect to the previous year.

Fixed components

The amounts of the fixed components of the remuneration of executive directors in 2019 for the performance of senior management functions were fixed by the Board of Directors of the Company at its meeting of 26 February 2018 as follows:

- Executive Chairman: 460,000 euros
- Chief Executive Officer: 275,000 euros (including the compensation for the post-contractual no-compete clause)

They consisted of the same amounts as in 2018.

The rest of the terms and conditions are set out in the contract of the Executive Chairman and in the contract of the Chief Executive Officer, both dated 6 February 2018, and remained unchanged from 2017 to 2019.

Short-term variable components

2019

The amounts of the short-term variable components of the remuneration of directors for the performance of senior management functions paid in 2019 were as follows:

- Executive Chairman: 276,750 euros
- Chief Executive Officer: 123,750 euros

That variable remuneration represents payment of 90% of the annual incentive of each director set by the Board of Directors of the Company at its meeting of 6 February 2017.

Attainment of the above variable remuneration is tied directly to the level of achievement of economic-financial objectives of the Company and of personal objectives.

2018

The amounts of the short-term variable components of the remuneration of directors for the performance of senior management functions paid in 2018 were as follows:

- Executive Chairman: 316,000 euros
- Chief Executive Officer: 164,320 euros

That variable remuneration represents payment of 126.4% of the annual incentive of each.

Attainment of the above variable remuneration is tied directly to the level of achievement of economic-financial objectives of the Company and of personal objectives.

Medium and long-term variable components

2019

The second amount relating to the Long-Term Incentive 2015-2017 was settled in 2019 and resulted in the payment of the following amounts:

- Executive Chairman: no amount remained pending payment.
- Chief Executive Officer: €171,875 was paid in cash as the second payment under the Long-Term Incentive 2015-2017.

2018

The amounts pending under the Long-Term Incentive Plan 2015-2017 were settled in 2018. In this regard, the Board of Directors proposed, upon prior report from the Nomination and Remuneration Committee, that the metric for creation of value relating to that Plan should recognise a level of attainment of that incentive of 125% for the Chairman and the Chief Executive Officer of the Company.

- The Executive Chairman was assigned 367,459 shares of the Company at a price of 2.345 euros per shares, generating a gross profit of 861,692 euros.
- The Chief Executive Officer was assigned 202,050 shares of the Company, half of which have vested and accrued, that is, 101,050, at a price of 2.345 euros per share, generating a gross profit of 236,962 euros, plus 171,875 euros in cash.

B. 7. Explain the nature and the main characteristics of the variable components of the remuneration systems accrued in the year ended.

In particular:

- Identify each one of the remuneration plans that have determined the different types of variable remuneration accrued by each of the directors in the year ended, including information on their scope, date of approval, date of implementation, the periods of accrual and validity, the criteria used to evaluate performance and how this has affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time required to be in a position to suitably measure all the conditions and criteria stipulated.

In the case of share options and other financial instruments, the general characteristics of each plan will include information on both the conditions for acquiring unconditional ownership (vesting) and for exercising these options or financial instruments, including the price and time limit for exercise.

- Each director, and the category of his or her directorship (executive directors, proprietary non-executive directors, independent non-executive directors and other outside directors) that are beneficiaries of remuneration schemes or plans that include remuneration.
- If applicable, information is to be provided on periods for the accrual or deferral of payment applied and/or the periods for withholding/lock-up of shares or other financial instruments, if such exist.

Only the Executive Chairman and the CEO receive variable remuneration, which is tied in both cases to the performance of management functions. The details of said variable remuneration are set out in section B.6 above.

B. 8. Indicate whether certain variable components have been reduced or clawed back when they have been, in the case of the former, vested and been deferred or, in the case of the latter, vested and paid, on the basis of data that have subsequently been demonstrated to

be inaccurate. Describe the amounts reduced or clawed back through the application of the reduction or clawback clauses, why they were implemented and the years to which they refer.

N/A

- B. 9. Explain the main characteristics of the long-term savings systems where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefit that are financed, totally or partially, by the company, whether through internal or external contributions, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies covered, the conditions for economic rights of directors to vest and their compatibility with any type of severance pay for early termination or termination of the contractual relationship between the company and the director.

N/A

- B. 10. Explain, where appropriate, the severance pay or any other type of payment deriving from early dismissal or early resignation, or from the termination of the contract in the terms provided for therein, accrued and/or received by directors during the year ended.

N/A

- B. 11. Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, where such is the case, explain the changes. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

N/A

- B. 12. Explain any additional remuneration accrued to directors as consideration for services rendered other than those inherent in the position.

N/A

- B. 13. Explain any remuneration deriving from advance payments, loans or guarantees granted, indicating the interest rate, the essential features and the amounts eventually returned, as well as the obligations taken on by way of guarantee.

N/A

B. 14. Itemise the remuneration in kind accrued by the directors over the year, briefly explaining the nature of the different salary components.

Only the CEO enjoys remuneration in kind consisting of life and accident insurance, medical insurance, a yearly health checkup and company vehicle, within the limits set forth in the Remuneration Policy.

The total amount of the remuneration in kind during 2019 was 3,511 euros

B. 15. Explain the remuneration accrued by directors by virtue of payments made by the listed company to a third company at which the director renders services when these payments seek to remunerate the director's services to the company.

N/A

B. 16. Explain any category of remuneration other than those listed above, of whatever nature and provenance within the group, especially when it may be considered to be a related party transaction or when payment thereof distorts the true and fair view of the total remuneration received by the director.

N/A

C. BREAKDOWN OF INDIVIDUAL REMUNERATION EARNED BY EACH DIRECTOR

Name	Type	Accrual period t
Mr. Christian Gut Revoredo	Executive	Between 01/01/19 and 31/12/19
Mr. Pedro Guerrero Guerrero	Proprietary	Between 01/01/19 and 31/12/19
Mr. José Antonio Lasanta Luri	Executive	Between 01/01/19 and 31/12/19
Ms. Chantal Gut Revoredo	Proprietary	Between 01/01/19 and 31/12/19
Mr. Claudio Aguirre Pemán	Independent	Between 01/01/19 and 31/12/19
Ms. María Benjumea Cabeza de Vaca	Independent	Between 01/01/19 and 31/12/19
Mr. Daniel Entrecanales Domecq	Independent	Between 01/01/19 and 31/12/19
Ms. Ana Sainz de Vicuña Bemberg	Independent	Between 01/01/19 and 31/12/19
Mr. Antonio Rubio Merino	Proprietary	Between 01/01/19 and 31/12/19

C.1 Complete the following tables on the individual remuneration of each director (including the salary received for performing executive duties) accrued during the year.

Remarks

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of Plan	Financial instruments at start of 2019		Financial instruments awarded during 2019		Financial instruments vested during the year				Instruments matured and not exercised	Financial instruments at yearend 2019	
		Num. of instruments	Num. of equivalent shares	Num. of instruments	Num. of equivalent shares	Num. of instruments	Num. of equivalent/ve sted shares	Price of vested shares	Gross profit from vested shares or financial instruments (€ 000s)	Num. of instruments	Num. of instruments	Num. of equivalent shares
Christian Gut Revoredo	LTI Plan 2018-2020	1,322,855	1,322,855								1,322,855	1,322,855
Jose Antonio Lasanta Luri	LTI Plan 2015-2017	101,050	101,050								101,050	101,050
Jose Antonio Lasanta Luri	LTI Plan 2018-2020	228,321	228,321								228,321	228,321

Remarks

iii) Long-term savings systems

	Remuneration for vesting of rights in savings systems
Director 1	

Name	Contribution for the year made by the company (€ 000s)				Amount of accumulated funds (€ 000s)			
	Savings systems with vested economic rights Consolidated		Savings systems with vested economic rights Consolidated		Year t		Year t-1	
	Year t	Year t-1	Year t	Year t-1	Systems with vested economic rights	Systems with vested economic rights Consolidated	Systems with vested economic rights	Systems with vested economic rights Consolidated
Director 1								

Remarks

iv) **List of other items (€ 000s):**

Name	Item	Amount of remuneration
Jose Antonio Lasanta Luri	Life and accident insurance, medical insurance, yearly medical checkup and company vehicle	3.511 euros

Remarks

b) Remuneration of company directors for directorships in other group companies:

i) Remuneration earned in cash (€ 000s):

Name	Fixed remuneration	Per diems	Remuneration for membership on board committees Board	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnity	Other items	Total year t	Total year t-1
Director 1										
Director 2										

Remarks

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Remarks

iii) Long-term savings systems

	Remuneration for vesting of rights in savings systems
Director 1	

Name	Contribution for the year made by the company (€ 000s)				Amount of accumulated funds (€ 000s)			
	Savings systems with vested financial rights		Savings systems with non-vested financial rights		Year t		Year t-1	
	Year t	Year t-1	Year t	Year t-1	Systems with vested economic rights	Systems with vested economic rights Consolidated	Systems with vested economic rights	Systems with vested economic rights Consolidated
	Director 1							

Remarks

iv) Breakdown of other benefits

Name	Item	Amount of remuneration
Director 1		

c) Summary of remuneration (€ 000s):

The summary should include the amounts earned by the director in respect of all types of compensation disclosed in this report (in thousands of euros).

Name	Remuneration earned in the Company					Remuneration earned in group companies				
	Total cash remuneration	Gross profit from vested shares and financial instruments	Remuneration under savings systems	Remuneration from other benefits	Total 2019 Company	Total cash remuneration	Gross profit from vested shares and financial instruments	Remuneration under savings systems	Remuneration from other benefits	Total 2019 group
Christian Gut Revoredo	803.6				803.6	-	-	-	-	-
Chantal Gut Revoredo	65.2				65.2	-	-	-	-	-
Jose Antonio Lasanta Luri	644.228			3.511	647.739	-	-	-	-	-
Pedro Guerrero Guerrero	182.35				182.35	-	-	-	-	-
Ana Sainz de Vicuña Bemberg	80.7				80.7	-	-	-	-	-
Daniel Entrecanales Domecq	105.1				105.1	-	-	-	-	-
Claudio Aguirre Pemán	116.1				116.1	-	-	-	-	-
Maria Benjumea Cabeza de Vaca	97.6				97.6	-	-	-	-	-
Antonio Rubio Merino						-	-	-	-	-
Total:	2,094.878			3.511	2,098.389	-	-	-	-	-

Remarks

D. OTHER INFORMATION OF INTEREST

If there is any relevant aspect of director remuneration that it has not been possible to include in the other subsections of this report, but that it is necessary to include in order to provide more comprehensive and reasoned information regarding the remuneration practices and structure of the company as regards its directors, briefly explain.

This annual report on remuneration was approved by the board of directors of the company at their meeting on 26 February 2020.

Indicate if there were directors who voted against or abstained from voting on approval of this Report.

Yes

No

Individual or corporate name of the member of the board of directors who has not voted for the approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons