
IDENTIFYING DATA OF THE ISSUER

End date of reported year:

[31/12/2020]

TAX IDENTIFICATION NUMBER:

[A-82473018]

Company name:

[**RENTA 4 BANCO, S.A.**]

Registered office:

[PS. DE LA HABANA N.74 (MADRID)]

A. REMUNERATION POLICY OF THE COMPANY FOR THE YEAR IN PROGRESS

A.1. Explain the current policy for the remuneration of directors applicable to the year in progress. Where relevant, certain information may be stated in relation to the remuneration policy approved by the general meeting of shareholders, provided the addition is clear, specific and concrete.

There must be a description of any specific determinations for the year in progress, of the remuneration of directors in their capacity as such and for their performance of executive functions by the board pursuant to the provisions of the contracts signed with executive directors and with the remuneration policy approved by the general meeting.

The following aspects, at least, must be reported in any case:

- Description of the procedures and bodies of the company involved in determining and approving the remuneration policy and its conditions.
- State and, where appropriate, explain whether consideration have been given to comparable companies for the purposes of establishing the company's remuneration policy.
- Information as to whether an external advisor was involved and, should this be the case, the identity of the advisor.

The purpose of the policy on directors' remuneration (the ".Remuneration Policy") of Renta 4 Banco, S.A. (the "Company" or "Renta 4" is to align the interests of the shareholders with those of the Company, seeking prudent management of the activity and minimising the risks inherent in it, rewarding the work of the Company's personnel in achieving this purpose and ensuring that remuneration is adjusted to the market conditions of credit institutions that are comparable in terms of their size, and to criteria of moderation and adaptation to the Company's results, all in accordance with the Regulations of the Board of Directors of Renta 4, and in order to contribute to the Company's ability to meet its strategic objectives within the framework of its activity.

In this regard, and within the framework of the provisions of the Articles of Association, the Regulations of the Board of Directors of the Company reserve to this body the power to adopt the decisions to be proposed to the General Meeting regarding the remuneration of directors. In accordance with the best corporate governance practices, the Board of Directors of the Company has established, for the best performance of its duties, the following

The Committee shall be assisted by different Commissions that assist it in those matters that fall within its competence. Of these, the Appointments and Remuneration Committee (the "ARC") is the body that advises and informs the Board of Directors on remuneration issues, among others, assigned to it in the Board Regulations, ensuring compliance with the remuneration policy established by the Company's General Meeting of Shareholders and proposing, where appropriate, any modifications it deems appropriate.

In this regard, it shall be the Board who, in the exercise of its functions, shall approve to submit to the General Meeting of the Company for its approval the Remuneration Policy for the current year, all of which is proposed by the NRC and submitted to the Board.

The CNR, by virtue of the provisions of Article 32 of the Regulations of the Board of Directors, is currently composed of 3 members appointed by the Board of Directors, Mrs Sarah Marie Harmon and Mrs Inés Juste Bellosillo, as independent directors, and Mr Pedro Navarro Martínez, as another external director.

This Committee meets as often as is necessary for the performance of its duties, convened by its Chairman or, as the case may be, by the Chairman of the Board, at least once a quarter.

In 2020, the ARC met five times to discuss issues within its remit.

Without prejudice to other duties that should be assigned to it by the Board, the ARC has, in relation to matters of remuneration, the following powers:

-to ensure compliance with the remuneration policy established by the Company; and in particular, to periodically review and propose to the Board of Directors the remuneration policy for directors (including executive directors), senior executives, executive committees and, where appropriate, of those categories of employees who, due to the functions they perform, are included in the remuneration policy by virtue of the applicable regulations, the application thereof, including share-based remuneration systems and their application, as well as ensuring that individual remuneration is proportional to that paid to directors and senior executives;

-propose to the Board of Directors the individual remuneration and the terms and conditions of the contracts of executive directors and the basic conditions of the contracts of senior executives, all in accordance with the Remuneration Policy approved by the General Meeting;

-oversee the transparency of remuneration and the observance of the remuneration policy established by the Company.

In this regard, the ARC will propose, where appropriate, due modifications of the Remuneration Policy to the Board of Directors Administration, for its formalisation and subsequent approval, if applicable, by the General Shareholders' Meeting.

The Regulations of the Board of Directors, both with regard to the ARC itself and to the directors in general, provide that all of them (the Committee or the members of the Board, as the case may be) may request external advice on such matters as they deem necessary.

The Company's Corporate Governance rules have been configured so that proposals submitted for consideration by the Board of Directors in remuneration matters originate from the ARC, which analyses them beforehand, relying on the Company's internal services and external experts when necessary. In addition, all decisions concerning remuneration affecting Directors have been (or will be) submitted to the consultative vote of the Company's General Shareholders' Meeting, which ensures the appropriate decision-making process in the area of remuneration.

- Relative importance of items of variable remuneration in relation to the fixed items (remuneration mix) and the criteria and objectives taken into account to determine them and to guarantee a proper balance between the fixed and variable components of remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks.
and align it with the long-term objectives, values and interests of the company, including, where appropriate, a reference to measures envisaged to ensure that the remuneration policy takes into account the long-term results of the company, measures adopted in relation to categories of personnel whose professional activities have a material impact on the entity's risk profile and measures envisaged to avoid conflicts of interests.

Also indicate whether the company has established any vesting or consolidation period for certain variable remuneration items, in cash, shares or other financial instruments, a deferral period for the payment of amounts or delivery of financial instruments already accrued and vested, or if any clause has been agreed to reduce deferred remuneration that has not yet vested or obliges the director to repay any remuneration received, when such remuneration was based on data that was subsequently found to be inaccurate manifestly.

The Remuneration Policy aims to establish a remuneration scheme appropriate to the dedication and responsibility assumed by the people to whom it applies, in order, on the one hand, to attract, retain and motivate the most outstanding professionals, and on the other hand, to contribute so that the Company can meet its strategic objectives within the framework in which it carries out its activity. For this reason, and as established in the Regulations of the Board of Directors, the remuneration will be adjusted to the market conditions of credit institutions of a size similar to Renta 4 and based on criteria of moderation and proportionality to the results of the Entity.

Therefore, the remuneration policy is based, inter alia, on the following principles:

- (a) The Remuneration Policy applies both to executive and non-executive members of the Board of Directors, to senior executives, as well as to categories of employees of the Company whose professional activities have a material impact on the Company's risk profile and those who exercise control functions, as well as categories of employees of the Company who receive a global remuneration that includes them in the same scale of remuneration as that of senior executives and employees who take on risks, whose professional activities have a material impact on the Company's risk profile.
- (b) The Remuneration Policy is compatible with appropriate and effective management of risk, and fosters such management in all circumstances, without offering, consequently, incentives for assuming a level of risk that exceeds the level of risk tolerated by the Company.
- (c) The Remuneration Policy is aligned and compatible with the Company's business strategy, objectives, values and long-term interests, and is subject to annual review, with the Board proposing, as appropriate, any modifications it deems appropriate.
- (d) The remuneration paid by the Company in accordance with these principles follows criteria of moderation and proportionality to the Group's results, and favours sound and effective risk management that prevents conflicts of interests.
- (e) In this sense, remuneration establishes an appropriate balance between the fixed and variable items, and takes into consideration the responsibility and level of commitment of each individual, as well as all types of current and future risks.

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(f) The variable remuneration has sufficient flexibility that enables its modulation to the point that it is possible to completely eliminate variable remuneration.

(g) It assesses performance in order to calculate the variable items of remuneration or the funds to pay for these items; an adjustment is made for all types of current and future risks, and the cost of capital and liquidity required is taken into account.

(h) Variable remuneration is only paid if it is sustainable with the situation of the Company, and if it is justified based on the results of the Company, the business unit and the employee in question, and the Company may, for these purposes, retain part or even all of it. However, the remuneration of personnel who exercise control functions is not subject to the results of the business areas they control.

This assessment is part of a multi-year framework ensuring that the assessment process is based on long-term results and that the actual payment of variable items is spread over the period covered by the Remuneration Policy.

(i) Payments for early termination of a contract are based on the results obtained over time, established in such a way that they do not reward poor performance.

(j) The pension policy is compatible with the Company's business strategy, objectives and values and long-term interests.

(k) Any scheme for rights of widowhood, orphanhood and death that is established is consistent with the market and the provisions of applicable regulations.

Further, in relation to the relative weight of variable remuneration items in relation to fixed ones, the principles on which the Remuneration Policy is based state that it will establish an appropriate balance between the fixed and variable items, always taking into consideration the responsibility and level of commitment involved in the role that each individual is called upon to play, as well as all types of current and future risks, an aspect that is covered in the Policy. In this regard, the Company's executive directors currently receive variable remuneration based on the performance of their executive duties, as indicated in section A.1.6 below.

In relation to the measures established in the Remuneration Policy that takes into account the results of the Company, according to provisions of section A.1.6. below that includes the objective criteria relating to the evolution of the Company's results for determining directors' variable remuneration. Furthermore, the Company's Remuneration Policy provides for an adequate balance between the fixed and variable components of remuneration for, as noted in section A.1.6, below, variable compensation depends on the achievement of objective criteria established by the Board and linked to the Company's objective results.

Likewise, as regards the measures adopted in relation to categories of personnel whose professional activities have a material impact on the Company's risk profile, the Company adopts the same measures in this respect as for executive directors, which are included in section A.1.6 below. These, in particular, relate to establishing the variable remuneration based on the targets linked to the Company's net profit and the level of default of the Renta 4 Group.

Lastly, in relation to the clawback formulae or clauses to claim back variable components of remuneration, it is envisaged that in the event that the assessments conclude that performance has been deficient, the Company may reduce the deferred variable remuneration and/or claim the reimbursement of the variable remuneration already paid, up to a maximum of 100%, in either case. These assessments will analyse subsequent performance according to the criteria (indicated in section A.1.6 below), which contributed to achieving the objectives, comparing it with the initial performance assessment and will be approved by the Board of Directors at the end of the year to which said variable remuneration refers.

- Amount and nature of the fixed components expected to accrue during the year to directors in their status as such.

The Company has devised a remuneration system that differentiates between the remuneration of executive directors and that of other directors.

Directors, by virtue of their status as such, shall receive annual fixed remuneration appropriate to market standards for the performance of their duties as members of the Board of Directors, taking into account the duties and responsibilities exercised by each of the directors within the Board itself or its Committees.

The amount of remuneration that the Company may pay to all of its directors for such items shall not exceed the amount fixed for this purpose by the General Shareholders' Meeting. In this regard, the remuneration of the directors shall consist of a fixed annual amount for the performance of their duties as members of the Board of Directors, which amounts to a maximum global amount of €491,088 for the 2021 financial year, €60,000 (gross) for each of the non-executive directors who are individuals and €71,088 (gross) for each of the non-executive directors who are legal entities. However, if the number of non-executive directors is increased by more than the current eight (8) members, the aforementioned maximum amount may be increased for each new non-executive member of the board of directors, in the corresponding fixed amount (€60,000 or €71,088) based on their status as individuals or legal entities, up to a maximum total remuneration for all non-executive directors of €633,264, if there are ten (10) members of the board.

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The executive directors shall not receive any remuneration for their status as directors of the Company, their remuneration being only that received for their executive functions, the outline of which is set out in section A.1.punto 4 below.

- Amount and nature of the fixed components that will be accrued in the year for the performance of senior management functions by the executive directors.

It should be noted that the remuneration system established by the company for executive directors takes into account the specific characteristics of each position, the duties attributed, the level of responsibility, the level of commitment taken on and engagement required, all for the purpose of the ARC establishing, determining and/or updating remunerations in order to be competitive in the market in equivalent duties in competing entities.

The executive directors whose appointment as directors is associated with their executive functions are:

- Chairman with executive functions: Mr Juan Carlos Ureta Domingo.
- CEO: Mr Juan Luis López García.
- Director and General Manager: Mr Jesús Sánchez-Quiñones González.
- Director and Regional Manager: Mr Santiago González Enciso.

The compensation of executive directors based on their responsibility, attributed duties and level of commitment, in terms of fixed remuneration for year 2021 will be as follows:

- Executive Chairman: Mr. Juan Carlos Ureta Domingo as Executive Chairman of the Company will receive an annual fixed remuneration consisting of €300,000 (gross), to be paid in 12 equal monthly instalments.
- The CEO of the Company Mr Juan Luis López García will have fixed annual remuneration of €275,000 (gross).
- Director and General Manager Mr Jesús Sánchez-Quiñones González, will have a fixed annual compensation of €275,000 (gross).
- The Director and Regional Manager, Mr Santiago González Enciso will have a fixed annual remuneration of €95,000 (gross).

In relation to the estimation of the fixed annual remuneration, given that the amounts indicated are fixed and will not depend on any objective or variable aspect, there is no estimation in this regard, where said amount are the fixed remuneration each of them will receive during the year 2021 for their positions.

- Amount and nature of any remuneration in kind component that will be accrued in the financial year, including, but not limited to, insurance premiums paid to the director.

The Company has taken out a collective civil liability insurance policy that covers all liability of any kind for acts and behaviours of both executive directors (Executive Chairman, Chief Executive Officer, General Manager and Regional Manager) and non-executive directors of the Company, as a result of the performance of the activities inherent to their duties.

- The amount and nature of the variable components, with a distinction made between those established in the short term and long term. Financial and non-financial parameters, the latter including social, environmental and climate change parameters, selected to determine variable remuneration for the year in progress, explanation of the extent to which these parameters bear a relation to performance of the director and also of the company and its risk profile, and the methodology, necessary timeline and techniques in place for the purposes of determining, at year-end, the level of compliance with the parameters used to design variable remuneration, explaining criteria and factors applied as regards the time required and methods used to verify that the performance or other conditions to which the accrual and vesting of each component of variable remuneration was linked have been effectively fulfilled.

Specify the range in monetary terms of the different variable components depending on the level of compliance with the objectives and parameters established, and whether there is any maximum monetary amount in absolute terms exists.

The variable remuneration of the directors of Renta 4 according to their responsibility, attributed functions and level of commitment is structured as follows:

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1. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Non-executive directors do not currently have a Variable Remuneration Plan.

2. REMUNERATION OF EXECUTIVE DIRECTORS

Executive directors currently have the following Variable Remuneration Plan.

2.1. Variable Remuneration of the Chairman for his Executive Functions:

Mr. Juan Carlos Ureta Domingo, as Executive Chairman, will receive an Annual Variable Remuneration in 2021 ("AVR") which may not exceed, in any case, 100% of the Annual Fixed Remuneration ("FAR") and will be determined by the corresponding amount accrued according to the level of compliance with the Year's Targets linked to the Net Profit of the Group ("NP"), which shall be set in accordance with the responsibilities and functions of the position, as well as any others that may be specifically assigned to the Chairman by the Board of Directors.

The Year's Targets will be calculated on the basis of the NP and for the year 2021, they have been established according to the following scale:

- NP < €16 M = 0% of the FAR
- NP €16 < x > 17 M = 10 % of the FAR
- NP €17 < x > 18 M = 15 % of the FAR
- NP €18 < x > 19 M = 35 % of the FAR
- NP €19 < x > 20 M = 55 % of the FAR
- NP €20 < x > 21 M = 65 % of the FAR
- NP €21 < x > 22 M = 85 % of the FAR
- NP > €22 M = 100% of the FAR

AVR will be received provided that the levels of default or bad debt losses of the Renta 4 Group during the financial year are less than 5% of the Equity ("E") at the end of the year and when these levels do not occur as a result of actions by the Company, in which the risk levels and limits permitted and established by the European Banking Authority (EBA) or any other competent entity for this purpose are exceeded, due to defects in the control systems of the Renta 4 Group, as well as any other cause attributable to omission or poor practices by the Company.

On the other hand, this Remuneration Policy will also be linked to non-financial objectives on the integration of sustainability risks and ESG policies. In this sense, the Annual Variable Remuneration will be received if both the objectives and the management approach established annually by the Board of Directors in ESG matters are met. All of the above will be included in the annual performance evaluation carried out by the Company's Appointments and Remuneration Committee.

2.2. Remuneration of CEO and of Director and General Manager

The Chief Executive Officer, Mr. Juan Luis López García and the Director and General Manager, Mr. Jesús Sánchez-Quiñones González will receive an AVR that may not exceed, in any case, 100% of FAR of each one of them and will be determined by the corresponding amount accrued depending on the level of compliance with the Year's Targets, linked to the Net Profit of the Group ("NP"), to be established annually.

The Year's Targets will be calculated on the basis of the NP and for the year 2021, they have been established according to the following scale:

- NP < €16 M = 0% of the FAR
- NP €16 < x > 17 M = 10 % of the FAR
- NP €17 < x > 18 M = 15 % of the FAR
- NP €18 < x > 19 M = 35 % of the FAR
- NP €19 < x > 20 M = 55 % of the FAR
- NP €20 < x > 21 M = 65 % of the FAR
- NP €21 < x > 22 M = 85 % of the FAR
- NP > €22 M = 100% of the FAR

The AVR will be paid as long as the levels of default or bad debt losses of the Renta 4 Group during the year remain below 5% of the E at the end of year and when these levels do not occur as a result of the Company's actions, in which the risk levels and limits allowed and established by the EBA or any other competent body are exceeded, due to deficient control systems used by the Renta 4 Group, as well as any other cause attributable to the Company's inaction or poor practices.

On the other hand, this Remuneration Policy will also be linked to non-financial objectives on the integration of sustainability risks and ESG policies. In this sense, the Annual Variable Remuneration will be received if the objectives established annually by the Board of Directors and/or the Committees that may be established for this purpose in ESG matters are met; Approval of ESG Policy, development of a Strategic Plan for the effective implementation of ESG policies, etc. All of the above will be included in the annual performance evaluation carried out by the Company's Appointments and Remuneration Committee.

2.3. Variable Remuneration of the Director and Regional Manager

The Regional Director will receive an AVR that may not, in any case, exceed 100% of the FAR will be determined by the corresponding amount accrued according to the level of compliance with the Year's Targets linked to the Net Profit of the Group ("NP"), to be established.

The Year's Targets will be calculated on the basis of the NP and for the year 2021, they have been established according to the following scale:

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- NP < €16 M = 0% of the FAR
- NP €16 < x > 17 M = 10 % of the FAR
- NP €17 < x > 18 M = 15 % of the FAR
- NP €18 < x > 19 M = 35 % of the FAR
- NP €19 < x > 20 M = 55 % of the FAR
- NP €20 < x > 21 M = 65 % of the FAR
- NP €21 < x > 22 M = 85 % of the FAR
- NP > €22 M = 100% of the FAR

The AVR shall be received provided that the Renta 4 Group's default levels or 'bad debt' during the financial year are less than 5% of its equity at year-end, and when these levels do not occur as a result of actions by the Company, in which the risk levels and limits permitted and established by the EBA or any other competent body, due to defects in the control systems of the Renta 4 Group, as well as any other cause attributable to the Company's failure to act or poor practices, are exceeded.

On the other hand, this Remuneration Policy will also be linked to non-financial objectives on the integration of sustainability risks and ESG policies. In this sense, the Annual Variable Remuneration will be received if both the objectives and the management approach established annually by the Board of Directors in ESG matters are met. All of the above will be included in the annual performance evaluation carried out by the Company's Appointments and Remuneration Committee.

In order to determine the accrued Annual Variable Remuneration corresponding to the Executive Chairman, Managing Director, General Manager and Regional Manager, an assessment (i) of the adequate management of the integration of sustainability risks and ESG policies, as well as (ii) compliance with the objectives shall be made of the degree of compliance with the annual objectives ('AO'), once all the magnitudes linked to said objectives are known, and after the financial statements have been drawn up and the report issued by the accounts auditor, taking into consideration, in any case, any qualifications that may be included in the auditor's report and that may modify said findings.

Of the accrued Annual Variable Remuneration that each of them would be entitled to receive, 60% shall be paid within a maximum period of 15 days following the completion of the assessment, and in any case, prior to the end of March of the calendar year following the corresponding financial year in which it has accrued. The remaining 40% shall be subject to a deferral period of 3 years, with the accrual and payment being perfected at the rate of a maximum of 13% in the first year of deferral, a maximum of 13% in the second year of deferral and a maximum of 14% in the third year of deferral. The payment due must be made before the end of the corresponding month of March of the calendar year following each of the years in which the deferral has taken place.

In order to perfect the accrual and payment of the 40% of the deferred AVR, the Board, at the proposal of the ARC, will carry out an assessment at the end of each year of the deferral period, based on maintaining the profitability of the results of the Renta 4 Group, taking into account the circumstances of the sector during the period evaluated and will adapt to the circumstances relating to the operations of Renta 4, to the risks assumed by it and to the activity of each of these Executive Directors, and provided that the assessment made of each one concludes that their performance was adequate and in line with the Company's targets.

The payment of the AVR, both the 60% and the deferred 40%, will be performed 50% in cash and the other 50% in shares. In order to calculate the number of accrued shares to be delivered, for each payment year the share's average market value during the last 20 business days of the previous year shall be taken into consideration, the shares being non-transferable for a period of 3 years from delivery, unless (i) there is, at the time of transmission or financial year, a net economic exposure to a change in the share price for a market value equivalent to an amount of at least 2 times its annual fixed remuneration through share ownership; or (ii) in respect of shares that it needs to dispose of order to meet the costs related to their acquisition or, dependent on the prior favourable opinion of the Appointments and Remuneration Committee, to meet extraordinary situations that arise and require it.

In any case, the Company may claim the reimbursement of the variable components of the remuneration paid, when payment has not been in accordance with the conditions established for its accrual, provided that this is due to justifiable reasons and they are duly accredited or when they have been paid based on data whose inaccuracy is subsequently accredited. Likewise, the Company may not proceed with the payment, in whole or in part, of the deferred remuneration corresponding to a specific period if, when payment is due, an extraordinary event were to occur that made it advisable not to do so.

The total amount of the AVR obtained as a result of the application of the AVR system, depending on the level of fulfilment of the NP and objectives set for the Executive Chairman, CEO, General Manager and Regional Manager, may not involve the Group's NP falling below €16M by 2021. Otherwise, the Total Amount of the VR must be adjusted proportionally until the 2021 NP is at least €16M.

Likewise, and to estimate the total amount of the variable remunerations to which the current system would give rise, depending on the level of fulfilment with the assumptions or objectives taken as a benchmark, the Company considers that it could be determined in the following maximum amounts:

Chairman with executive functions: Mr Juan Carlos Ureta Domingo would receive a maximum of €300,000 gross.

The CEO, Mr Juan Luis López García will receive a maximum of €275,000 gross.

The General Manager, Mr Jesús Sánchez-Quiñones González €275,000 gross.

The Regional Manager, Mr Santiago González Enciso €95,000 gross.

- Main characteristics of long-term savings systems. Among other information, it will indicate the contingencies covered by the system, whether it is a contributory system or a defined benefit system, the annual contribution to be made to the defined contribution systems, the benefit to which the beneficiaries are entitled in the case of defined benefit systems, the conditions of consolidation of the economic rights in favour of the directors and their compatibility with any type of payment or

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compensation for early termination or severance, or derived from the termination of the contractual relationship, under the terms provided, between the company and the director.

It must be specified whether the accrual or consolidation of any long-term savings plans are linked to the achievement of certain objectives or parameters relating to the short-term and long-term performance of the director.

The Company has not undertaken any pension, retirement or similar obligations with non-executive directors.

With regard to the executive directors, since 2007 the Company has been covering the contingencies of retirement, work disability, death, severe dependency or major dependency by setting up systems of defined contribution employment plans with the coverage and vesting in accordance with the regulations for Pension Plans, to which €600 are currently contributed annually, as well as the insurance premium to cover these contingencies for each of them, all of which are compatible with the compensations included in A.8. The contributions made in financial year 2020, as well as the accumulated amounts, are included in C.1.a) iii).

The accrual or vesting of long-term savings plans is not linked to the fulfilment of the targets set for the directors.

- Any type of payment or compensation for early termination or severance or arising out of termination of the contractual relationship under the terms established between the company and the director, whether the termination is at the will of the company or of the director, as well as any type of agreed covenants, such as exclusivity, post-contractual non-competition and permanence or fidelization, which entitle the director to any type of payment.

The Company's non-executive directors are not contractually entitled to receive any compensation in the event of resignation or dismissal.

In relation to executive directors, Renta 4 has established compensation in the event of dismissal, unfair dismissal or termination of the employment relation due to reasons non-related to the director. In this regard, these indemnities are compatible with the long-term savings plans described in section A.7. above, the figures for which are shown in point C.1.a.iii and are structured for executive directors as follows:

Executive Chairman: In the event of termination for reasons beyond the Chairman's control, or due to his/her removal or non-reelection as a member of the Board of Directors (BoD) by the General Meeting (GM) or due to his/her removal or non-reelection as Chairman in the BoD, he/she shall be entitled to receive compensation equal to the legal compensation provided for unfair dismissal under the ordinary employment law.

- CEO: In the event of his/her removal as Chief Executive Officer (CEO) for causes beyond his/her will; due to his/her removal or non-reelection as a member of the Board of Directors by the Board of Directors or due to his/her removal or non-reelection as a member of the Board of Directors in the Board of Directors, he/she shall be entitled to receive compensation equal to the legal compensation provided for unfair dismissal under the ordinary employment law for the period in which he/she held the position of CEO. In the event of a dismissal that is declared to be unfair, the CEO would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment law.

- Director and General Manager: In the same way as the DC, the Director and General Manager shall be entitled to compensation equal to the legal compensation provided for unfair dismissal from the common labour system, in the event of unfair dismissal.

Regional Director: there is no agreement relating to compensation or a golden parachute.

On the other hand, in addition to the envisaged compensation, and in relation to the AVR indicated in section A.1 table 6 above, the executive directors will be entitled to the following:

The Executive Chairman, in the event that the Board of Directors decides to remove him as Executive Chairman, or the GM resolves to remove him as a Director, shall be entitled to receive the accrued and vested part of the AVR as appropriate, and in relation to the deferred part, shall forfeit any right to receive any such amount. However, in the event of termination of his or her post due to (i) permanent or severe disability, (ii) death, (iii) retirement, (iv) pre-retirement, or (v) early retirement, the Executive Chairman shall be entitled to receive the accrued and vested portion of the AVR, as applicable, and in relation to the deferred portion, the full amount of the deferred payment shall be deemed to have accrued and vested.

For executive directors who hold the positions of Chief Executive Officer and Director and General Manager, the BoD has established that they will be entitled to receive the accrued and perfected part of the AVR, as applicable, and with respect to the deferred part, the full amount of the deferred payment shall be deemed to be accrued and perfected, in the event of: (i) corporate resignation; (ii) dismissal declared unlawful

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by the courts or recognized as unjustified by the Company; (iii) dismissal declared null and void by the Courts or recognized as unjustified by the Company; (iv) termination of the employment relationship requested by the Chief Executive Officer or the General Manager, pursuant to the provisions of Article 10. 3 of Royal Decree 1382/1985, of August 1, 1985, which regulates the special employment relationship of senior management personnel or the termination of the employment relationship requested by the employee, in the case of the Chief Executive Officer, pursuant to Article 50 of the Workers' Statute; (v) disability; (vi) death; (vii) death of the Chief Executive Officer or the Chief Executive Officer, pursuant to Article 50 of the Workers' Statute; (viii) death of the Chief Executive Officer or the Chief Executive Officer, pursuant to Article 50 of the Workers' Statute; (vi) death; (vii) retirement; (viii) early retirement; (ix) early retirement or (x) mutual agreement to suspend the relationship, provided that the evaluation carried out concludes that the performance of the Chief Executive Officer and/or Director and General Manager has been correct and aligned with the objectives of the Entity.

However, in the event of (i) resignation or voluntary resignation; (ii) withdrawal of the Chief Executive Officer or General Manager; (iii) voluntary leave and/or compulsory leave of absence; or (iv) dismissal declared fair by the Courts, they shall be entitled to receive the accrued and vested part of the AVR, as applicable, forfeiting any right to receive any amount for the deferred payment.

Finally, with regard to the executive director and Regional Manager, the Board of Directors has established that the latter shall be entitled to receive the accrued and vested portion of the AVR, as appropriate, and with regard to the deferred part, the total amount of the deferred payment shall be understood to have been accrued and vested, in the event of the following: (i) dismissal declared unfair by the Courts or recognised as unfair by the Company; (ii) dismissal declared null and void by the Courts; (iii) termination of the employment relationship requested by the worker under the provisions of Article 50 of the Workers' Statute; (iv) change of job category; (v) disability; (vi) death; (viii) retirement; (ix) pre-retirement; (x) early retirement or (xi) mutual agreement to suspend the relationship, provided that the assessment conducted concludes that the performance of the Director has been correct and in line with the Company's targets.

However, in the event of (i) resignation or voluntary resignation; (ii) voluntary leave and/or compulsory leave of absence; or (iii) dismissal declared fair by the Courts, they shall be entitled to receive the accrued and vested part of the AVR, as applicable, waiving any right to receive any amounts for the deferred payment.

- Specify the conditions to be observed by the contracts of individuals who exercise senior management functions as executive directors. The term, limits on the amounts of termination benefits, long-service terms, notice periods, and payment as substitution for notice periods, and any other clauses covering hiring bonuses, indemnities or golden parachutes for early termination or cessation of the contractual relationship between the Company and the executive director will be reported, among others. Include, inter alia, any covenants or agreements not to compete and exclusivity, long-service or loyalty and post-contractual non-competition agreements, unless these have been explained in the preceding section.

The Board Regulations assign to this body the power to adopt decisions on the conditions that the contracts of executive directors must observe. In addition, the ARC's functions include reviewing and proposing to the Board of Directors the remuneration policy for directors and senior executives and, where appropriate, categories of employees who, owing to the functions they perform, are included in the remuneration policy by virtue of the applicable regulations, the individual remuneration and the terms and conditions of the contracts of executive directors and the basic conditions of the contracts of senior executives, all in accordance with the remuneration policy approved by the General Meeting.

The contracts arranged with each of the executive directors determine their related remuneration, economic rights and rewards, which include those items included in the Company's bylaws and described in this report. The relevant terms and conditions of the contracts of Mr Juan Carlos Ureta Domingo (as Executive Chairman), Mr Juan Luis López García (CEO), Mr Jesús Sánchez-Quiñones González (Director and General Manager) and of Mr Santiago González Enciso (as Director and Regional Manager) are specified below:

a) Term: The contracts are of an indefinite term.

b) Limits on the amounts of termination benefits: The limitations on the maximum amounts of compensation for each of the executive directors are set out below:

-Executive Chairman: He would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment laws subject to the conditions shown in A.1 table 8 above. In this respect, the maximum amount of such compensation would be, in 2021, €1,419.

-CEO: He would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment laws subject to the conditions shown in A.1 table 8 above. In this respect, the maximum amount of such compensation would be, in 2021, €263,000.

-General Manager: He would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment laws subject to the conditions shown in A.1 table 8 above. In this respect, the maximum amount of such compensation would be, in 2021, €270,000.

Regional Manager: he would receive the legal compensation envisaged for unfair dismissal under the ordinary employment law. In this respect, the maximum amount of such compensation would be, in 2021, €74,000.

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c) Prior notice: Those set out in the applicable collective agreement.

d) Non-competition, exclusivity, permanence or fidelization and post-contractual non-competition covenants or agreements:

In the contracts signed with each of the executive directors, a declaration is made by both parties stating that the positions they hold in the Company are full time, with exclusive dedication to the Company. Likewise, these contracts (clause on the object) highlight this exclusivity. There are no specific pacts in the aforementioned contracts relating to non-competition, length of service or loyalty and post-contractual non-competition.

In relation to these matters, the Regulations of the Board of Directors establish that no director may engage, on his own account or on behalf of others, in an activity that is the same, similar or a supplementary to that which constitutes the corporate purpose of the Company, unless expressly authorised to do so by the Company in the form of a resolution of the General Meeting, for which purpose they must give the notice specified in the aforementioned Regulation. Directors must consult the ARC before accepting any executive position or position on the board of directors of another company or entity.

With regard to possible conflicts of interest, the Board Regulations establish that directors must notify the Board of Directors of any situation of conflict, direct or indirect, that they may have with the interest of the Company. The director concerned shall refrain from participating in resolutions or decisions relating to the transaction giving rise to the conflict. Likewise, the directors must report any the direct or indirect stake either they or related persons, as defined in the Spanish Limited Liability Companies Law, hold in the capital of a company with the same, similar or complementary type of activity to that which constitutes the corporate purpose, and they must also report any posts or functions they hold in it.

In addition, the Board Regulations establish that directors must observe the regime of incompatibilities that is legally established at any given time.

- The nature and estimated amount of any other additional remuneration that will be accrued by directors during the year in progress by way of a consideration for services provided other than those inherent to their posts.

The directors of the Company did not accrue any remuneration in this regard.

- Other items of remuneration such as those derived, where applicable, from the grant by the company to the director of advances, loans, and guarantees as well as other remunerations.

On July 28, 2019, a loan was granted to the company Avilugam, S.L. (a company in which Mr. Juan Carlos Ureta Domingo holds a percentage of more than 15% of the company), amounting to €1,500 with a drawdown of €1,272 during 2020, having been cancelled on June 26, 2020.

On the other hand, on December 23, 2020, the Entity granted Ms. Inés Asunción Ureta Estades, Mrs. Matilde Ureta Estades and Mr. Juan Carlos Ureta Estades, descendants of Mr. Juan Carlos Ureta Domingo, loans for an amount of €170,000 to each of them, providing as collateral: €320,000, €297,000 and €331,000, respectively. At the end of 2020, Inés Asunción Ureta Estades and Matilde Ureta Estades had drawn down €169,000 each, and Juan Carlos Ureta Estades had drawn down €167,000. The maturity date for these loans is December 23, 2023 and have been granted at an interest rate of 12-month Euribor + 0.7%.

On June 28, 2018, a loan of €775,000 was granted to Mr. Santiago González Enciso, having drawn down €639,000 at year-end and with a repayment term of 3 years, whose finalization is scheduled for June 27, 2021, having provided €1,151 as collateral and with an interest rate of 12-month Euribor + 1.75%. On the other hand, on April 23, 2018, a loan was granted to Mrs. Matilde Fernández de Miguel, spouse of Mr. Santiago González Enciso, in the amount of €175,000, not having drawn down any amount at year-end 2020, and the repayment term of such loan finishes on April 22, 2021. During the year 2020, the Entity has granted Mr. Santiago González- Enciso Fernández, Mr. Ignacio González- Enciso Fernández, Ms. Cristina González- Enciso Fernández, Ms. Matilde González- Enciso Fernández and Mrs. María María González- Enciso Fernández, descendants of director Mr. Santiago Gonzalez Enciso, a loan to each of them amounting to €320,000, with €640,000 of collateral provided by each of them, at an interest rate of 12-month Euribor + 1.75%. At year-end 2020, each of them had drawn down €316,000.

Lastly, on November 30, 2020, a loan was granted to Mr. Juan Luis López García for an amount of €200,000, providing collateral for an amount of €380,000, and no amount had been drawn down at December 31, 2020. The loan was granted at an interest rate of 12-month Euribor + 1% and its expected maturity date is November 29, 2023.

The specifics and the liabilities taken therefor by way of collateral and the interest rate are those set in section C.1.a.iv) below.

- The nature and estimated amount of any other foreseen supplementary remuneration not included in the preceding sections, whether paid by the entity or by another group entity, will accrue to the directors in the current financial year.

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The directors of the Company have not accrued any remuneration for any other additional remuneration not included in previous sections.

A.2. Explain any relevant changes in the remuneration policy applicable during the year in progress arising from:

- A new policy or an amendment to the policy already approved by the General Meeting.
- Relevant changes in the specific determinations established by the board for the year in progress in the current remuneration policy in relation to those applied during the previous year.
- Any proposals that the board of directors agreed to present to the general meeting of shareholders to which this annual report will be submitted, proposing that they should apply to the year in progress.

In 2020 there were no substantial changes, or substantial modifications in the remuneration policy previously approved by the General Meeting, or significant changes that the Board of Directors resolved to submit to the General Meeting for approval.

A.3. Identify the direct link to the Exhibit that contains the remuneration policy in force at the company, which must be available on the company's website.

<https://www.renta4banco.com/es/accionistas/politicas-e-informes>

A.4. Explain, in due consideration of the data supplied in section B.4, how the voting of shareholders at the general meeting to which the annual remuneration report for the previous year was submitted for and advisory vote was taken into account.

The annual remuneration report for year 2020 was unanimously approved by the General Meeting, as stated in section B.4, having been approved by 100% of the votes in favour. Consequently, the Entity has considered it appropriate to continue with a policy of remuneration for directors whose purpose is to continue to be aligned with the interests of shareholders, seeking prudent management of activity minimizing inherent risks to the same, and rewarding the work of Company personnel in achieving this purpose. All this in order to contribute to the Company meeting its strategic objectives within the framework in which it carries out its activity.

B. OVERVIEW OF THE APPLICATION OF THE REMUNERATION POLICY IN THE COURSE OF THE PREVIOUS YEAR

B.1. Explain the process carried out to apply the remuneration policy and determine the individual remuneration set out in section C of this report. This information shall include the role played by the remuneration committee, the decisions taken by the board of directors and, where appropriate, the identity and role of any external advisors whose services have been used in the process of application of the remuneration policy in the year ended.

The Board of Directors, at its meeting held on 17 March 2020 and at the proposal of the ARC, resolved, under point nine of the Agenda, to approve the Remuneration Policy for 2020 and, in turn, to submit it for approval by the General Meeting of Shareholders, which approved this policy with 100% of votes of the present and represented share capital in favour at its ordinary general meeting of 27 April 2020, in accordance with the responsibility, functions attributed and level of commitment taken on by the Renta 4 directors.

Likewise, the Board of Directors, at its meeting of 23 February 2021, and pursuant to the process of assessment of the Board, its Committees, the Chairman, the Managing Director and the Coordinating Director, as well as the performance of the Company in 2020 through the results included in the financial statements, has determined, in accordance with the Remuneration Policy in force, the variable remuneration due to directors with executive functions specified in section C below.

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B.2. Indicate the action taken by the company in relation to the remuneration system and how it has helped reduce exposure to excessive risks and adjust it to the company's long-term objectives, values and interests, including a reference to the measures adopted to ensure that the remuneration accrued has been based on the company's long-term results and has secured a proper balance between the fixed and variable components or remuneration, what measures have been taken in relation to personnel categories whose professional activities have a material impact on the company's risk profile, and what measures have been adopted to prevent conflicts of interest, if any.

In relation to the measures envisaged to guarantee that the Remuneration Policy takes into account the long-term results of the Company, section A.1. below includes the objective criteria relating to the Company's results applied to determine directors' variable remuneration.

In addition, the Company's Remuneration Policy finds a suitable balance between the fixed and variable items in the remuneration considering that, as shown in section A.1. above, the variable remuneration set for 2020 is based on the fulfilment of the objective criteria defined by the Board, always linked to the objective results of the Company and subject to the Remuneration Policy approved at the Ordinary General Meeting of 27 April 2020.

Likewise, as regards the measures adopted in relation to categories of personnel whose professional activities have a material impact on the Company's risk profile, the Company adopts the same measures in this respect as for executive directors, which are included in section A.1 above. These, in particular, relate to establishing the variable remuneration based on targets linked to the Company's net profit and the level of default of the Renta 4 Group.

Lastly, in relation to the clawback formulae or clauses to claim back the variable remuneration items, it is envisaged that, should the assessments conclude a deficient performance, or when they have been paid on the basis of data subsequently found to be inaccurate, the Company may reduce the deferred variable remuneration and/or claim the reimbursement of the variable remuneration already paid, up to a maximum of 100%, in either case. These assessments will analyse the subsequent performance according to the criteria (indicated in section A.1 above, as they are the same for the current year and the reported year), which contributed to achieving the objectives, comparing it with the initial performance assessment and will be approved by the Board of Directors at the end of the year such variable remuneration refers to.

B.3. Explain how the remuneration accrued during the year meets the provisions of the remuneration policy in force. Also report on the relationship between the remuneration obtained by the directors and the results or other short and long-term performance measures of the company, explaining, where applicable, how the variations in the company's performance may have had an impact on the change in directors' remuneration, including accrued remuneration for which payment has been deferred, and how this contributes to the short and long-term results of the company.

Based on the Company's director remuneration policy for 2020 indicated in section B.7 below, the executive directors' remuneration is linked to the results produced by the Company. In this regard, and in accordance with what is indicated in this section, certain variable remuneration is conditional upon the fulfilment of the indicators also included in section B.7. below.

In 2020, the total remuneration of the Company's directors in their capacity as such was €490,710, in observance of the maximum amount of €633,264 for this item as established in the Remuneration Policy. The individual remuneration of each director in his capacity as such consisted of a fixed annual amount, as established in said policy. In turn,

Executive directors did not receive remuneration for their membership of the Board of Directors or of its committees; nor did they receive any annual fixed amounts, or attendance fees for meetings of the Board of Directors. In this regard, the executive directors received remuneration in the amounts to which they were entitled by virtue of their respective contracts drawn up with the Company, pursuant to the Remuneration Policy. At a meeting on 23 February 2021, at the behest of the ARC, the Board of Directors determined the sums of the annual variable remuneration of executive directors accrued in 2020.

For the purposes of determining the variable remuneration accrued to the executive directors, consideration was given to professional engagement and excellence, the level of achievement of the targets of the annual budget, investment targets, and the result of assessment of the performance of their duties, in relation to which a variable remuneration of 55% was determined in relation to the fixed annual remuneration to which each director is entitled. Section B7 of this report contains more information in connection with these conditions.

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B.4. Report on the result of the consultative vote of the General Shareholders' Meeting on the annual report on remunerations on the previous year, indicating the number of negative votes cast:

	Number	% of total
Votes cast	28,865,036	100.00
	Number	% of votes cast
Dissenting votes		0.00
Affirmative votes	28,865,036	100.00
Abstentions		0.00

Observations

B.5. Explain how the accrued and vested fixed components have been determined during the period by the directors in their capacity as such, and how they have varied with respect to the previous year.

The Board of Directors, at its meeting held on 17 March 2020 and at the proposal of the ARC, agreed, under item nine of the Agenda, to approve the content proposed by the ARC regarding the Remuneration Policy for the financial year 2020 and, in turn, to submit it for approval by the General Shareholders' Meeting, which approved it at its ordinary meeting held on 27 April 2020, taking into account market standards in relation to the performance of their duties as members of the Board of Directors in order to determine the appropriate annual fixed remuneration.

In this regard, the non-executive directors, in their capacity as such, in financial year 2020 received a fixed annual amount for the performance of their duties as members of the Board of Directors in the amount of €60,000 for each of the directors who are individuals and €71,088 for the director who is a legal entity, with the same fixed annual remuneration received by each of them in 2019, thus remaining unchanged versus the previous year.

B.6. Explain how the salaries accrued during the year to each of the executive directors for carrying out management functions were determined, and how they changed in relation to the previous year.

In accordance with the Remunerations Policy approved at the ordinary general meeting of 27 April 2020, during 2020 the remuneration paid to the directors was:

- Mr Juan Carlos Ureta Domingo, Executive Chairman received a fixed annual remuneration of €300,000 (gross).
- Mr Juan Luis López García, CEO received a fixed annual remuneration of €275,000 (gross).
- Mr Jesús Sánchez-Quiñones González, Director and General Manager, received a fixed annual remuneration of €275,000 (gross).
- The Director and Regional Manager Mr Santiago González Enciso received a fixed annual remuneration of €75,000 (gross).

It should be noted that the fixed remuneration paid to executive directors during the 2020 financial year amounted to €925,000 (Mr. Juan Carlos Ureta Domingo, €300,000; Mr. Juan Luis López García and Mr. Jesús Sánchez-Quiñones González, €275,000 each; and Mr. Santiago González Enciso, €75,000), the same amount they received as fixed remuneration in 2019, thus showing no increase in fixed remuneration.

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

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In particular:

- Identify each of the remuneration plans that determined the different variable remuneration packages accrued by each of the directors in the course of the year, including information on their scope, the date of approval, date of implementation, the conditions, if any, for consolidation, accrual and validity periods, and criteria used for performance evaluation and how this has impacted the determination of the variable amount accrued, as well as the measurement criteria used and the time required to be able to adequately measure all the conditions and criteria stipulated, explaining in detail the criteria and factors applied in terms of the time required and methods to verify that the performance conditions or any other type of conditions to which the accrual and consolidation of each component of the variable remuneration was linked have been effectively met.

In the case of share option plans and other financial instruments, the plan's general features will include information on the conditions for securing unconditional ownership (consolidation) and for exercising such options or financial instruments, including the price and exercise timeline.

- Each of the directors, and their category (executive directors, external proprietary directors, external independent directors or other external directors), who are beneficiaries of remuneration systems or plans that include variable remuneration.
- Where appropriate, information will be provided in relation to any periods established for the accrual or deferral of payment that may have been applied, and/or retention/non-availability periods for shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration systems:

The 2020 Remuneration Policy establishes that non-executive directors shall not have a Variable Remuneration Plan.

As regards the executive directors, the variable remuneration model established in the 2020 Remuneration Policy is as follows:

1). Variable remuneration of Mr Juan Carlos Ureta Domingo, as Executive Chairman.

Mr. Juan Carlos Ureta Domingo will receive an Annual Variable Remuneration ("AVR"), consisting of up to a maximum of 100% of the Fixed Annual Remuneration ("FAR").

The Annual Variable Remuneration is determined by the amount corresponding to the amount accrued in accordance with the fulfilment of year's targets linked to the Net Profit of the Group, ("Year's Targets") that have been fixed in accordance with the responsibilities and functions of the position, as well as any others that the Board of Directors has specifically assigned to the Chairman.

In line with the principles of Renta 4's Remuneration Policy, in addition to applying criteria of moderation and adaptation to the results of the Renta 4 Group, solid and effective risk management is encouraged, which is why the AVR is received if the levels of default or "bad debt" of the Renta 4 Group during the year are less than 5% of Net Equity at the end of the year, and when these levels are not the result of actions by the Company that exceed the levels and limits of risk permitted and established by EBA (European Banking Authority) or any other competent body, due to defects in the control systems of the Renta 4 Group, as well as for any other cause attributable to the Company's inaction or poor practices.

The Year's Targets are calculated on the basis of the Net Profit of the Renta 4 Group obtained ("NP") according to the following scheme:

NP: $X < €15M = 0\%$ of the FAR.

NP: $€15 < X < 16M = 10\%$ of FAR.

NP: $€16 < X < 17M = 15\%$ of FAR.

NP: $€17 < X < 18M = 35\%$ of FAR.

NP: $€18 < X < 19M = 55\%$ of FAR.

NP: $€19 < X < 20M = 65\%$ of FAR.

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NP: €20 < X > 21M = 85 % of FAR.

NP: X > €21M = 100 % of FAR.

2). Variable Remuneration of CEO and of the Director and General Manager

The 2020 Remuneration Policy establishes that the Chief Executive Officer, Mr. Juan Luis López García and the Director and General Manager, Mr. Jesús Sánchez-Quiñones González receive an AVR, consisting of up to 100% of the FAR. The amount of this is accrued based on the fulfilment of year's targets set in accordance with the responsibilities and functions of the position or those assigned.

The AVR is determined by the amount accrued depending on the level of fulfilment of the year's targets linked to the Group's Net Profit (hereinafter, the "Year's Targets") that were set taking into account the responsibilities and functions attached to the position, as well as any others that the Board of Directors may have assigned to the CEO and Director and General Manager.

The AVR is received if the levels of default or "bad debt" of the Renta 4 Group during the year are less than 5% of Net Equity at the end of the year, and when these levels do not arise as a result of actions by the Company, in which risk limits permitted and established by the EBA (European Banking Authority) or any other competent body are exceeded, due to defects in the Renta 4 Group's control systems, as well as for any other cause attributable to the Company's inaction or poor practices.

The Year's Targets are calculated on the basis of the Renta 4 Group's Net Profit calculated as follows: Net Profit: X < €15M = 0% of FAR.

NP: €15 < X > 16M = 10 % of FAR.

NP: €16 < X > 17M = 15 % of FAR.

NP: €17 < X > 18M = 35 % of FAR.

NP: €18 < X > 19M = 55 % of FAR.

NP: €19 < X > 20M = 65 % of FAR.

NP: €20 < X > 21M = 85 % of FAR.

NP: X > €21M = 100 % of FAR.

3). Variable Remuneration of the Director and Regional Manager

The Director and Regional Director will receive an AVR, consisting of up to 100% of the FAR. The amount of this will be accrued based on the fulfilment of year's targets set in accordance with the responsibilities and functions of the position or those assigned.

The AVR will be determined by the amount corresponding to the amount accrued in accordance with the fulfilment of annual objectives linked to the Group's Net Profit (the "Year's Targets"), which will be set in accordance with the responsibilities and functions of the position, as well as any others that may be specifically assigned by the Board of Directors to the Director and Regional Director.

The AVR will be paid provided that the levels of defaults or bad debt losses of the Renta 4 Group during the financial year are lower than 5% of the Equity at year-end and when these levels do not occur as a result of the Company's actions, in which the risk levels and limits permitted and established by the European Banking Authority (EBA) or any other competent entity are exceeded, due to deficient control systems used by the Renta 4 Group, as well as any other cause attributable to the Company's inaction or poor practices.

The annual objectives are calculated on the basis of the Net Income obtained by Renta 4 Group ("NP") as follows: NP: X < €15M = 0 % of FAR.

NP: €15 < X > 16M = 10 % of FAR.

NP: €16 < X > 17M = 15 % of FAR.

NP: €17 < X > 18M = 35 % of FAR.

NP: €18 < X > 19M = 55 % of FAR.

NP: €19 < X > 20M = 65 % of FAR.

NP: €20 < X > 21M = 85 % of FAR.

NP: X > €21M = 100 % of FAR.

Sixty percent of the AVR due to the Executive Chairman, Chief Executive Officer, General Director and the Regional Director shall be paid within a maximum period of 15 days following the assessment, and in any case before the end of the month of March of the calendar year following the year in which such remuneration is accrued, March 2021). The remaining 40% will be subject to a three-year deferral period, the accrual and payment satisfied at a rate of a third each year, a maximum of 13% in the first year of deferral, a maximum of 13% in the second year of deferral and a maximum of 14% in the third year of deferral. The payment due must be made before the end of the month of March of the calendar year following each of the years in which the deferral has taken place. i.e. 2022, 2023 and 2024.

For the vesting of the accrual and payment of 40% of the deferred AVR, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, will conduct an assessment at the end of each year of the deferral period, based on keeping up the profitability of the results of the Renta 4 Group, taking into account the circumstances of the sector during the reported period.

The payment of the AVR, both the 60% and the deferred 40%, will be performed 50% in cash and the other 50% in shares. To calculate the number of shares accrued to be delivered, the average market value of the share during the last 20 business days of the corresponding year will be used, where the shares are non-transferable during a period of 12 months following delivery.

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Therefore, as the Group's Net Profit in 2019 was €18,046 million and the default level was less than 5%, the level of fulfillment of the annual goals set in the 2020 Remuneration Policy establishes that executive directors are entitled to receive an overall AVR corresponding to the 2020 financial year for a total amount of €508,750 for all executive directors. Specifically, the total AVR corresponding to the 2020 financial year amounts to €165,000 for the Executive Chairman; €151,250 for the Managing Director, as well as for the Managing Director and General Manager, and €41,250 for the Regional Director.

Of the resulting total AVR for 2019, 60% of this amount will be paid during the first quarter of 2021 and the remaining 40% will be deferred to the following three financial years; 2022, 2023 and 2024. The payment of the variable remuneration, both the 60% and the deferred 40%, will be performed 50% in cash and the other 50% in shares.

Therefore, in the first quarter of 2021, the Entity will pay the executive Directors 60% of the Total AVR corresponding to the 2020 financial year, 50% in cash and 50% in shares. Specifically, the Executive Chairman will receive €99,000 (€49,500 in cash and €49,500 in shares), the Managing Director will receive €90,750 (€43,375 in cash and €43,375 in shares), and the General Manager will receive €24,750 (€12,375 in cash and €12,375 in shares).

The remaining amounts corresponding to the deferred 40% will be paid in the following three years (2022, 2023, and 2024), as established in the 2020 Remuneration Policy.

Finally, in relation to the VAR accrued in the previous 2019, 2018, and 2017 financial years, 60% of which was paid during the first quarter of the financial year following the accrual (years 2020, 2019, and 2018, respectively), deferring the remaining 40% of each AVR in the 3 years following the financial year in which the accrual took place. The Board, at the proposal of the ARC, during the first quarter of 2021, has carried out a performance assessment on the Executive Chairman, the Managing Director, the Director, and the General Manager, as well as an assessment on the Director and Regional Director, based on the profitability maintenance of Renta 4 Group, taking into account the circumstances of the industry during the assessed period. The assessment results were positive for all of them.

For this reason, during the first quarter of 2021, the Entity will pay the executive directors, on the one hand, the first third (1/3) of the deferred 40% AVR corresponding to the 2019 financial year, and, on the other hand, the second third (2/3) of the deferred 40% AVR corresponding to the 2018 financial year.

Finally, the last third of the deferred 40% AVR corresponding to the 2017 financial year shall be paid, in all cases, 50% in cash and the other 50% in shares.

Specifically, the total value of the first third (1/3) of the deferred 40% AVR corresponding to the 2019 financial year amounts to €43,166.67. Of this total amount, Mr. Juan Carlos Ureta Domingo, Executive Chairman, will receive €14,000, 50% in cash (€7,000) and the other 50% in shares (€7,000); Mr. Juan Luis López García, Managing Director, and Mr. Jesús Sanchez-Quiñones González, Director and General Manager will each receive €12,833, 50% in cash (€6,416.67) and the other 50% in shares (€6,416.67), and Mr. Santiago González Enciso, Director and Regional Manager will receive €3,500, (€1,750) in cash and (€1,750) in shares.

On the other hand, the second third (2/3) of the deferred 40% of the AVR corresponding to the 2018 financial year amounts to €18,500. Of this total value, Mr. Juan Carlos Ureta Domingo, Executive Chairman, will receive the amount of €6,000, 50% in cash (€3,000) and the other 50% in shares (€3,000); Mr. Juan Luis López García, Managing Director, and Mr. Jesús Sanchez-Quiñones González, Director and General Manager, will each receive the amount of €5,500, 50% in cash (€2,750) and the other 50% in shares (€2,750), and finally, Mr. Santiago González Enciso, Director and Regional Manager, will receive the amount of €1,500 (€750 in cash and €750 in shares).

On the other hand, the last third of the deferred 40% of the AVR corresponding to the 2017 financial year amounts to €71,120. Of this total value, Mr. Juan Carlos Ureta Domingo, Executive Chairman, will receive the amount of €24,000, 50% in cash (€12,000) and the other 50% in shares (€12,000); Mr. Juan Luis López García, Managing Director, and Mr. Jesús Sanchez-Quiñones González, Director and General Manager, will each receive €20,800, 50% in cash (€10,400) and the other 50% in shares (€10,400), and, finally, Mr. Santiago González Enciso, Director and Regional Manager, will receive the amount of €5,520 (€2,760 in cash and €2,760 in shares).

Consequently, of the deferred 2019 AVR, two thirds (2/3) of the 40% of the 2019 deferred AVR, i.e. one third (1/3) for each of the years, should be paid in the following years, 2022 and 2023, if the annual assessment and the results of the Company so allow it. And of the deferred 2018 AVR, one third (1/3) of the 40% of the deferred AVR will be pending payment in the following year, 2022.

With respect to the decisions on the consideration of these items, the Board of Directors, at the session held on 23 February 2021 at the proposal of the ARC, proceeded to review and approve the submission of the Remunerations Policy for the 2021 financial year to the General Meeting for approval. It also approved the Annual Remuneration Report for Directors for the year ended 31 December 2020, at the same meeting, for submission to the General Meeting.

Likewise, and taking into account the performance of the Company's activity and volume of business, the Board of Directors agreed on the variable remuneration of the executive directors for 2020, in accordance with the Remuneration Policy 2020, at the same above-mentioned meeting.

Explain the long-term variable components of the remuneration systems:

ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

B.8. State whether any variable components have been reduced or a refund has been claimed when, in the former case, payment has been consolidated and deferred or, in the latter case, consolidated and paid, in accordance with data subsequently shown to be manifestly inaccurate. Describe the amounts reduced or refunded by applying the malus or clawback clauses, the reason for their execution, and the corresponding financial years.

No variable components have been reduced or clawed back from any director

B.9. Explain the main characteristics of the long-term savings systems whose amount or equivalent annual cost is shown in the tables in Section C, including retirement and any other survivor's benefits, which are financed, partially or totally, by the company, whether they are provided internally or externally, indicating the type of plan, whether it is a defined contribution or benefit plan, the contingencies it covers, the conditions for consolidating the economic rights in favour of the directors and its compatibility with any type of compensation for early termination or termination of the contractual relationship between the company and the directors.

The Company has not undertaken any pension, retirement or similar obligations with non-executive directors.

In relation to executive directors, since 2007 the Company has been covering the contingencies of retirement, incapacity for work, death, severe dependence or serious dependence by putting in place defined contribution employment system plans, i.e. for which the Company is obliged to make fixed contributions to a third party, being externalised, by putting in place Pension Plans and the formalisation, by virtue of these, of insurance policies with an entity not related to the Company.

As regards coverage and vesting in accordance with the regulations on Pension Plans, to which €600 was contributed annually by each of the executive directors during 2020, being compatible with the compensations described in sections A.8 and A.9 (having the same content for both the current and the closed year referred to in this report), the contributions made during 2020, as well as the accumulated amounts, are described in section C.1.a) iii. below.

B.10. Explain, if applicable, the compensation or any other type of payment derived from early termination, whether at the will of the company or the director or due to the termination of the contractual relationship under the terms and conditions of the agreement, that was accrued and/or received by the directors during the closed financial year.

The Company's directors have not earned or received any remuneration for this item during the 2020 financial year.

B.11. Indicate whether there have been significant changes in the contracts of those who perform senior management functions as executive directors and, if so, explain them. In addition, explain the main terms and conditions of the new agreements entered into by executive directors during the financial year, unless they have been explained in section A.1.

During the 2020 financial year, there have been no changes in any of the contracts of the executive directors.

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

During 2020, no director has received any additional remuneration for services rendered other than those inherent to their position.

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B.13. Explain any remuneration derived from the granting of payment advances, credits, and guarantees, indicating the interest rate, their essential characteristics, and the amounts eventually repaid, as well as the obligations undertaken on their behalf as guarantees.

On July 28, 2019, a loan was granted to the company Avilugam, S.L. (a company in which Mr. Juan Carlos Ureta Domingo holds a percentage of more than 15% of the company), amounting to €1,500 with a drawdown of €1,272 during 2020, having been cancelled on June 26, 2020.

On the other hand, on December 23, 2020, the Entity granted Ms. Inés Asunción Ureta Estades, Mrs. Matilde Ureta Estades and Mr. Juan Carlos Ureta Estades, descendants of Mr. Juan Carlos Ureta Domingo, loans for an amount of €170,000 to each of them, providing as collateral: €320,000, €297,000 and €331,000, respectively. At the end of 2020, Inés Asunción Ureta Estades and Matilde Ureta Estades had drawn down €169,000 each, and Juan Carlos Ureta Estades had drawn down €167,000. The maturity date for these loans is December 23, 2023 and have been granted at an interest rate of 12-month Euribor + 0.7%.

On June 28, 2018, a loan of €775,000 was granted to Mr. Santiago González Enciso, having drawn down €639,000 at year-end and with a repayment term of 3 years, whose finalization is scheduled for June 27, 2021, having provided €1,151 as collateral and with an interest rate of 12-month Euribor + 1.75%. On the other hand, on April 23, 2018, a loan was granted to Mrs. Matilde Fernández de Miguel, spouse of Mr. Santiago González Enciso, in the amount of €175,000, not having drawn down any amount at year-end 2020, and the repayment term of such loan finishes on April 22, 2021. During the year 2020, the Entity has granted Mr. Santiago González- Enciso Fernández, Mr. Ignacio González- Enciso Fernández, Ms. Cristina González- Enciso Fernández, Ms. Matilde González- Enciso Fernández and Mrs. María María González- Enciso Fernández, descendants of director Mr. Santiago Gonzalez Enciso, a loan to each of them amounting to €320,000, with €640,000 of collateral provided by each of them, at an interest rate of 12-month Euribor + 1.75%. At year-end 2020, each of them had drawn down €316,000.

Lastly, on November 30, 2020, a loan was granted to Mr. Juan Luis López García for an amount of €200,000, providing collateral for an amount of €380,000, and no amount had been drawn down at December 31, 2020. The loan was granted at an interest rate of 12-month Euribor + 1% and its expected maturity date is November 29, 2023.

The specifics and the liabilities taken therefor by way of collateral and the interest rate are those set in section C.1.a.iv) below.

B.14. List the remuneration in kind accrued by the directors during the financial year, briefly explaining the nature of the different wage components.

The directors of the Company have not accrued any remuneration for this item, except for that indicated in section B.9 above.

B.15. Explain the remunerations accrued to the director by virtue of payments made by the quoted company to a third-party entity in which the director provides services when such payments are allocated to the remuneration for such services in the company.

The directors of the Company did not accrue any remuneration in this regard.

B.16. Explain any remuneration item other than those mentioned above, regardless of its nature or the group entity paying for it, especially when deemed as a related transaction or when its emission distorts the true and fair value of the total remunerations accrued by the director.

The Company's directors have not earned any remuneration other than that described above.

C. DETAILS OF INDIVIDUAL REMUNERATION FOR EACH OF THE DIRECTORS

Name	Classification	Accrual period 2020
MR. EDUARDO CHACON LOPEZ	Proprietary Director	From 01/01/2020 to 31/12/2020
MRS. INES JUSTE BELLOSILLO	Independent Director	From 01/01/2020 to 31/12/2020
MR PEDRO FERRERAS DIEZ	Director Other External	From 01/01/2020 to 31/12/2020
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	Proprietary Director	From 01/01/2020 to 31/12/2020
MRS. SARAH MARIE HARMON	Independent Director	From 01/01/2020 to 31/12/2020
MR. PEDRO ANGEL NAVARRO MARTINEZ	Director Other External	From 01/01/2020 to 31/12/2020
MR. JOSE RAMON RUBIO LAPORTA	Independent Director	From 01/01/2020 to 31/12/2020
MRS. GEMA AZNAR CORNEJO	Independent Director	From 01/01/2020 to 31/12/2020
MR. JUAN LUIS LOPEZ GARCIA	CEO	From 01/01/2020 to 31/12/2020
MR. JESÚS SANCHEZ- QUIÑONES GONZALEZ	Executive Director	From 01/01/2020 to 31/12/2020
MR. JUAN CARLOS URETA DOMINGO	Chairman	From 01/01/2020 to 31/12/2020
MR. SANTIAGO GONZALEZ ENCISO	Executive Director	From 01/01/2020 to 31/12/2020

C.1. Complete the following tables concerning the individual remuneration of each of the directors (including remuneration for the exercising of executive functions) accrued during the year.

a) Remuneration of the company covered by this report:

i) Remuneration accrued in cash (in thousands of euros)

Name	Fixed remuneration	Allowances	Remuneration for seats in Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other	Year total 2020	Year total 2019
MR. EDUARDO CHACON LOPEZ	60								60	60
MRS. INES JUSTE BELLOSILLO	60								60	60
MR. PEDRO FERRERAS DIEZ	60								60	60
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	71								71	71
MRS. SARAH MARIE HARMON	60								60	60
MR PEDRO ANGEL NAVARRO MARTINEZ	60								60	60
MR. JOSE RAMON RUBIO LAPORTA	60								60	60
MRS. GEMA AZNAR CORNEJO	60								60	15
MR. JUAN LUIS LOPEZ GARCIA	276				29	13			318	298
MR. JESÚS SANCHEZ- QUIÑONES GONZALEZ	276				29	13			318	299
MR. JUAN CARLOS URETA DOMINGO	300				32	15			347	326
MR. SANTIAGO GONZALEZ ENCISO	75				8	3			86	81

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ii) Table of changes in remuneration systems based on shares and gross profit on consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of the 2020 financial year		Financial instruments granted during the 2020 financial year		Financial instruments consolidated in the financial year				Expired and not exercised instruments	Financial instruments at the end of the 2020 financial year	
		No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent/consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of	No. Instruments:	No. Instruments:	No. of equivalent shares
MR. EDUARDO CHACON LOPEZ	Plan							0.00				
MRS. INES JUSTE BELLOSILLO	Plan							0.00				
MR PEDRO FERRERAS DIEZ	Plan							0.00				
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	Plan							0.00				
MRS SARAH MARIE HARMON	Plan							0.00				
MR. PEDRO ANGEL NAVARRO MARTINEZ	Plan							0.00				
MR. JOSE RAMON RUBIO LAPORTA	Plan							0.00				
MRS. GEMA AZNAR CORNEJO	Plan							0.00				
MR. JUAN LUIS LOPEZ GARCIA	Variable Remuneration in Shares (Plan Remuneration 2018)	9		3	466	3	466	5.90	3		6	
MR. JUAN LUIS LOPEZ GARCIA	Variable Remuneration in Shares (Plan Remuneration 2017)	20		10	1,762	10	1,762	5.90	10		10	

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Name	Name of the Plan	Financial instruments at the beginning of the 2020 financial year		Financial instruments granted during the 2020 financial		Financial instruments consolidated in the financial year				Expired and not exercised instruments	Financial instruments at the end of the 2020 financial year	
		No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent/consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. Instruments:	No. Instruments:	No. of equivalent shares
MR. JUAN LUIS LOPEZ GARCIA	Variable Remuneration in Shares (2019)	48		29	2.838	29	2.838	6,00	29			19
MR. JESUS SANCHEZ-QUIÑONES GONZALEZ	Variable Remuneration in Shares (2017)	20		10	1.755	10	1.755	5,90	10			10
MR. JESUS SANCHEZ-QUIÑONES GONZALEZ	Variable Remuneration in Shares (2018)	9		3	466	3	466	5,90	3			6
MR. JESUS SANCHEZ-QUIÑONES GONZALEZ	Variable Remuneration in Shares (2019)	48		29	2.908	29	2.908	5,80	29			19
MR. JUAN CARLOS URETA DOMINGO	Variable Remuneration in Shares (2017)	24		12	2.013	12	2.013	5,96	12			12
MR. JUAN CARLOS URETA DOMINGO	Variable Remuneration in Shares (2019)	53		32	3.163	32	3.163	5,50	32			21

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MR. JUAN CARLOS URETA DOMINGO	Variable Remuneration in Shares (2018)	9		3	503	3	503	5,96	3	3	6	
MR. SANTIAGO GONZALEZ ENCISO	Variable Remuneration in Shares (2019)	13		8	1.358	8	1.358	5,80	8		5	
MR. SANTIAGO GONZALEZ ENCISO	Variable Remuneration in Shares (2017)	6		2	466	2	466	5,90	2		4	

Name	Name of the Plan	Financial instruments at the beginning of the 2020 financial year		Financial instruments granted during the 2020 financial year		Financial instruments consolidated in the financial year				Expired and not exercised instruments	Financial instruments at the end of the 2020 financial year	
		No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent/consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. Instruments:	No. Instruments:	No. of equivalent shares
MR. SANTIAGO GONZALEZ ENCISO	Retribución Variable Acciones (2018)	3		1	108	1	108	5,80	1		2	

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During the 2020 financial year, part of the variable remuneration paid to executive directors Mr. Juan Carlos Ureta Domingo, Mr. Juan Luis López García, Mr. Jesús Sánchez-Quiñones González, and Mr. Santiago Gonzalez Enciso corresponds to the variable remuneration accrued in the 2018 financial year, 40% of which was deferred in thirds over the following three financial years (2020, 2021 and 2022). Specifically, the total variable remuneration for 2018, deferred and paid in 2020 amounted to €18,500, paid 50% in cash and 50% in shares. Specifically, the variable compensation paid in shares amounted to €9,250, with Mr. Juan Carlos Ureta Domingo receiving €3,000, Mr. Juan Luis López García and Mr. Jesús Sánchez-Quiñones González receiving €2,750 each, and Mr. Santiago Gonzalez Enciso receiving €750,000.

Besides, in 2020, the variable remuneration accrued in the 2017 financial year, 40% of which was deferred over the following three years (2019, 2020, and 2021), was also paid. Specifically, the total variable remuneration for 2017, deferred and paid in 2020 amounted to €71,120, paid 50% in cash and 50% in shares. Specifically, the paid variable remuneration amounted to €24,000 for Mr. Juan Carlos Ureta Domingo (€12,000 in shares and €12,000 in cash), to €20,800 for each, Mr. Juan Luis López García and Mr. Jesús Sánchez-Quiñones González, 50% in cash and 50% in shares (in this case, the purchase has been executed at two different prices, as reflected in detail C.1.A ii.2), and €5,520 for Mr. Santiago González Enciso (€2,760 in shares and the same amount in cash).

On the other hand, of the variable remuneration in shares paid to the executive directors during 2020, the other part corresponds to the variable remuneration accrued in year 2019, in which it was agreed that 60% of the remuneration would be paid during the first quarter of 2020, deferring the remaining 40% to the following 3 years; 2021, 2022 and 2023, the amount to be paid being 1/3 of the total amount each year, paying 50% in cash and the other 50% in shares. Consequently, in 2020, 60% of the variable remuneration accrued in the 2019 financial year was paid. Of this percentage, €63,000 were paid to Mr. Juan Carlos Ureta Domingo (€31,500 in cash and €31,500 in shares, including the partial payment), €57,750 were paid to Mr. Juan Luis López García, 50% in cash and 50% in shares (in this case, the purchase has been executed at two different prices, as reflected in detail C.1.A ii.2), and, finally, €15,750 were paid to Mr. Santiago González Enciso (50% in cash and 50% in shares).

All of this is included in section C.1.A. paragraph 2.ii, which reflects the amounts accrued at the beginning of financial year 2020, the shares paid in 2020, as well as the deferred amounts in shares, for each of the executive directors.

iii) Long-term savings schemes.

Name	Remuneration from consolidation of rights to savings
MR. EDUARDO CHACON LOPEZ	
MRS INES JUSTE BELLOSILLO	
MR PEDRO FERRERAS DIEZ	
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	
MRS SARAH MARIE HARMON	
MR PEDRO ANGEL NAVARRO MARTINEZ	
MR. JOSE RAMON RUBIO LAPORTA	

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DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES**

Name	Remuneration from consolidation of rights to savings
MRS. GEMA AZNAR CORNEJO	
MR. JUAN LUIS LOPEZ GARCIA	1
MR. JESÚS SANCHEZ- QUIÑONES GONZALEZ	1
MR. JUAN CARLOS URETA DOMINGO	1
MR. SANTIAGO GONZALEZ ENCISO	1

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic		Savings systems with unconsolidated economic		Savings systems with consolidated economic		Savings systems with unconsolidated economic	
	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019
MR EDUARDO CHACON LOPEZ								
MRS INES JUSTE BELLOSILLO								
MR PEDRO FERRERAS DIEZ								
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA								
MRS SARAH MARIE HARMON								
MR PEDRO ANGEL NAVARRO MARTINEZ								
Mr. JOSE RAMON RUBIO LAPORTA								
MRS. GEMA AZNAR CORNEJO								

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic		Savings systems with unconsolidated economic		Savings systems with consolidated economic		Savings systems with unconsolidated economic	
	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019
MR. JUAN LUIS LOPEZ GARCIA	1	1			16	15		
MR. JESUS SANCHEZ-QUIÑONES GONZALEZ	1	1			16	16		
MR JUAN CARLOS URETA DOMINGO	1	1			16	15		
MR. SANTIAGO GONZALEZ ENCISO	1	1			12	11		

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iv) Detail of other items

Name	Item	Amount of remuneration
MR. EDUARDO CHACON LOPEZ	Item	
MRS INES JUSTE BELLOSILLO	Item	
MR PEDRO FERRERAS DIEZ	Item	
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	Item	
MRS SARAH MARIE HARMON	Item	

Name	Item	Amount of remuneration
MR PEDRO ANGEL NAVARRO MARTINEZ	Item	
MR. JOSE RAMON RUBIO LAPORTA	Item	
MRS. GEMA AZNAR CORNEJO	Item	
MR JUAN LUIS LOPEZ GARCIA	Item	
MR. JESÚS SANCHEZ- QUIÑONES GONZALEZ	Item	
MR JUAN CARLOS URETA DOMINGO	Item	
MR SANTIAGO GONZALEZ ENCISO	Item	

Observations

On July 28, 2019, a loan was granted to the company Avilugam, S.L. (a company in which Mr. Juan Carlos Ureta Domingo holds a percentage of more than 15% of the company), amounting to €1,500 with a drawdown of €1,272 during 2020, having been cancelled on June 26, 2020. On the other hand, on December 23, 2020, the Entity granted Ms. Inés Asunción Ureta Estades, Mrs. Matilde Ureta Estades and Mr. Juan Carlos Ureta Estades, descendants of Mr. Juan Carlos Ureta Domingo, loans for an amount of €170,000 to each of them, providing as collateral: €320,000, €297,000 and €331,000, respectively. At the end of 2020, Inés Asunción Ureta Estades and Matilde Ureta Estades had drawn down €169,000 each, and Juan Carlos Ureta Estades had drawn down €167,000. The maturity date for these loans is December 23, 2023 and have been granted at an interest rate of 12-month Euribor + 0.7%.

On June 28, 2018, a loan of €775,000 was granted to Mr. Santiago González Enciso, having drawn down €639,000 at year-end and with a repayment term of 3 years, whose finalization is scheduled for June 27, 2021, having provided €1,151 as collateral and with an interest rate of 12-month Euribor + 1.75%. On the other hand, on April 23, 2018, a loan was granted to Mrs. Matilde Fernández de Miguel, spouse of Mr. Santiago González Enciso, in the amount of €175,000, not having drawn down any amount at year-end 2020, and the repayment term of such loan finishes on April 22, 2021. During the year 2020, the Entity has granted Mr. Santiago González- Enciso Fernández, Mr. Ignacio González- Enciso Fernández, Ms. Cristina González- Enciso Fernández, Ms. Matilde González- Enciso Fernández and Mrs. María María González- Enciso Fernández, descendants of director Mr. Santiago Gonzalez Enciso, a loan to each of them amounting to €320,000, with €640,000 of collateral provided by each of them, at an interest rate of 12-month Euribor + 1.75%. At year-end 2020, each of them had drawn down €316,000.

Lastly, on November 30, 2020, a loan was granted to Mr. Juan Luis López García for an amount of €200,000, providing collateral for an amount of €380,000, and no amount had been drawn down at December 31, 2020. The loan was granted at an interest rate of 12-month Euribor + 1% and its expected maturity date is November 29, 2023.

b) Remuneration to company directors as members of the boards at other group companies:

- i) Remuneration accrued in cash (in thousands of euros)
- ii)

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DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES**

Name	Fixed remuneration	Allowances	Remuneration for seats in Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other	Year total 2020	Year total 2019
MR. EDUARDO CHACON LOPEZ										
MRS INES JUSTE BELLOSILLO										
MR PEDRO FERRERAS DIEZ										
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA										
MRS SARAH MARIE HARMON										

Name	Fixed remuneration	Allowances	Remuneration for seats in Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other	Year total 2020	Year total 2019
MR PEDRO ANGEL NAVARRO MARTINEZ										
Mr. JOSE RAMON RUBIO LAPORTA										
MRS. GEMA AZNAR CORNEJO										
MR JUAN LUIS LOPEZ GARCIA										
Mr. JESÚS SANCHEZ- QUIÑONES GONZALEZ										
MR JUAN CARLOS URETA DOMINGO										
MR SANTIAGO GONZALEZ ENCISO										

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ii) Table of changes in remuneration systems based on shares and gross profit on consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of 2020 financial year		Financial instruments granted during 2020 financial year		Financial instruments consolidated in the financial year				Expired and not exercised instruments	Financial instruments at the end of 2020 financial year	
		No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent/consolidated shares	Consolidated share price	Gross profit on consol. shares or financial instruments (thousands of euros)	No. Instruments:	No. Instruments:	No. of equivalent shares
MR. EDUARDO CHACON LOPEZ	Plan							0.00				
MRS INES JUSTE BELLOSILLO	Plan							0.00				
MR PEDRO FERRERAS DIEZ	Plan							0.00				
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	Plan							0.00				
MRS SARAH MARIE HARMON	Plan							0.00				
MR PEDRO ANGEL NAVARRO MARTINEZ	Plan							0.00				
MR. JOSE RAMON RUBIO LAPORTA	Plan							0.00				
MRS. GEMA AZNAR CORNEJO	Plan							0.00				

Name	Name of the Plan	Financial instruments at the beginning of 2020 financial year		Financial instruments granted during 2020 financial year		Financial instruments consolidated in the financial year				Expired and not exercised instrument	Financial instruments at the end of 2020 financial year	
		No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent/consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of	No. Instruments:	No. Instruments:	No. of equivalent shares
MR JUAN LUIS LOPEZ GARCIA	Plan							0.00				
MR JESUS SANCHEZ-QUIÑONES GONZALEZ	Plan							0.00				
MR JUAN CARLOS URETA DOMINGO	Plan							0.00				
MR SANTIAGO GONZALEZ ENCISO	Plan							0.00				

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iii) Long-term savings schemes.

Name	Remuneration from consolidation of rights to savings
MR. EDUARDO CHACON LOPEZ	
MRS INES JUSTE BELLOSILLO	
MR PEDRO FERRERAS DIEZ	
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	
MRS SARAH MARIE HARMON	
MR PEDRO ANGEL NAVARRO MARTINEZ	
Mr. JOSE RAMON RUBIO LAPORTA	
MRS. GEMA AZNAR CORNEJO	
MR JUAN LUIS LOPEZ GARCIA	
MR. JESÚS SANCHEZ- QUIÑONES GONZALEZ	
MR JUAN CARLOS URETA DOMINGO	
MR SANTIAGO GONZALEZ ENCISO	

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic		Savings systems with unconsolidated economic		Savings systems with consolidated economic		Savings systems with unconsolidated economic	
	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019
MR EDUARDO CHACON LOPEZ								
MRS INES JUSTE BELLOSILLO								
MR PEDRO FERRERAS DIEZ								

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic		Savings systems with unconsolidated economic		Savings systems with consolidated economic		Savings systems with unconsolidated economic	
	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019	Financial year: 2020	Financial year 2019
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA								
MRS SARAH MARIE HARMON								
MR PEDRO ANGEL NAVARRO MARTINEZ								
Mr. JOSE RAMON RUBIO LAPORTA								
MRS. GEMA AZNAR CORNEJO								
MR JUAN LUIS LOPEZ GARCIA								
MR. JESUS SANCHEZ- QUIÑONES GONZALEZ								
MR JUAN CARLOS URETA DOMINGO								
MR SANTIAGO GONZALEZ ENCISO								

Observations

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iv) Detail of other items

Name	Item	Amount of remuneration
MR. EDUARDO CHACON LOPEZ	Item	
MRS INES JUSTE BELLOSILLO	Item	
MR PEDRO FERRERAS DIEZ	Item	
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	Item	
MRS SARAH MARIE HARMON	Item	
MR PEDRO ANGEL NAVARRO MARTINEZ	Item	
MR. JOSE RAMON RUBIO LAPORTA	Item	
MRS. GEMA AZNAR CORNEJO	Item	
MR JUAN LUIS LOPEZ GARCIA	Item	
MR. JESÚS SANCHEZ- QUIÑONES GONZALEZ	Item	
MR JUAN CARLOS URETA DOMINGO	Item	
MR SANTIAGO GONZALEZ ENCISO	Item	

Observations

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c) Summary of remuneration (in thousands €):

The summary must include the amounts corresponding to all remuneration items included in this report that have been accrued by the director, in thousands of euros.

Name	Remuneration accrued at the Company					Remuneration accrued at group companies					Company + group total financial year 2020
	Total Cash remuneratio n	Gross profit on consolidated shares or financial instruments	Remuneration from savings systems	Remuneration from other concepts	Year total 2020 company	Total Cash remuneratio n	Gross profit on consolidated shares or financial instruments	Remuneration from savings systems	Remuneration from other concepts	Year total 2020 group	
MR EDUARDO CHACON LOPEZ	60				60						60
MRS INES JUSTE BELLOSILLO	60				60						60
MR PEDRO FERRERAS DIEZ	60				60						60
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	71				71						71
MRS SARAH MARIE HARMON	60				60						60
MR PEDRO ANGEL NAVARRO MARTINEZ	60				60						60
Mr. JOSE RAMON RUBIO LAPORTA	60				60						60
MRS. GEMA AZNAR CORNEJO	60				60						60

Name	Remuneration accrued at the Company					Remuneration accrued at group companies					Company + group total financial year 2020
	Total Cash remuneratio n	Gross profit on consolidated shares or financial instruments	Remuneration from savings systems	Remuneration from other concepts	Year total 2020 company	Total Cash remuneratio n	Gross profit on consolidated shares or financial instruments	Remuneration from savings systems	Remuneration from other concepts	Year total 2020 group	
MR JUAN LUIS LOPEZ GARCIA	318	42	1		361						361
Mr. JESUS SANCHEZ- QUIÑONES GONZALEZ	318	42	1		361						361
MR JUAN CARLOS URETA DOMINGO	347	47	1		395						395
MR SANTIAGO GONZALEZ ENCISO	86	11	1		98						98
TOTAL	1,560	142	4		1,706						1,706

Observations

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D. OTHER INFORMATION OF INTEREST

If there is any relevant aspect regarding the remuneration of the directors that could not be included in the rest of the sections of this report, but which is necessary to include in order to gather more complete and reasoned information on the structure and remuneration practices of the company in relation to its directors, please provide a brief description of such aspects here

The Company's directors have not accrued any remuneration other than that indicated in Section B of this report, without prejudice to the amounts indicated in section D.3 of the Annual Corporate Governance Report concerning related-party transactions between entities owned by the directors and the Company itself.

On the other hand, the figures included in sections C.1.a.i., C.1.a.ii, C.1.a.iii, and C.1.c refer to the amounts paid and received in 2020 for all the directors, not having accrued any variable remuneration during financial year 2020 other than those included in section B above.

Similarly, as explained in section B.7, of the variable remuneration paid out to the executive directors during 2020, the other part corresponds to the variable remuneration accrued in 2019, in which it was agreed that 60% of the remuneration would be paid during the first quarter of 2020 and the remaining 40% would be deferred over the following three years; 2021, 2022 and 2023, with the amount to be paid being 1/3 in each of the following years. The total remuneration would be paid 50% in cash and 50% in shares.

During financial year 2020, part of the variable remuneration paid to executive directors Mr. Juan Carlos Ureta Domingo, Mr. Juan Luis López García, Mr. Jesús Sánchez-Quiñones González and Mr. Santiago González Enciso, corresponds to the variable remuneration accrued in financial year 2017, 40% of which was deferred in thirds over the following three financial years (2019, 2020 and 2021). Specifically, the total variable remuneration corresponding to 2017, deferred and paid in 2020, amounted to €71,120, with 50% paid in cash and 50% in shares. Specifically, the variable remuneration paid to Mr. Juan Carlos Ureta Domingo amounted to €24,000, to Mr. Juan Luis López García and Mr. Jesús Sánchez-Quiñones González €20,800 each, and to Mr. Santiago González Enciso €5,520 in shares, and the same amount in cash.

On the other hand, of the variable remuneration paid to the executive directors during 2020, another part corresponds to the variable remuneration accrued in financial year 2018, in which it was agreed that 60% of the remuneration would be paid during the first quarter of 2019, deferring the remaining 40% over the following 3 financial years; 2020, 2021 and 2022, with 1/3 of the total amount to be paid each year, paying 50% in cash and the other 50% in shares. As a result, one third of the 40% variable remuneration accrued in the financial year 2019 was paid in 2020, €18,500; specifically, Mr. Juan Carlos Ureta Domingo was paid an amount of €6,000, Mr. Juan Luis López García and Mr. Jesús Sánchez-Quiñones González the amount of €5,500 each, and finally Mr. Santiago González Enciso, €1,500, in all cases, 50% in cash and 50% in shares.

Lastly, the variable remuneration paid out to the executive directors during 2020 corresponds to the variable remuneration accrued in financial year 2019, in which it was agreed that 60% of the remuneration would be paid during the first quarter of 2020, deferring the remaining 40% over the following 3 years; 2021, 2022 and 2023, the amount to be paid being 1/3 of the total amount each year, 50% in cash and 50% in shares. As a result, in 2020, 60% of the variable remuneration accrued in financial year 2019 was paid out, specifically to Mr. Juan Carlos Ureta Domingo an amount of €63,000 (€31,500 in cash and €31,500 in shares including the partial payment), to Juan Luis López García and Jesús Sánchez-Quiñones González the amount of €57,750 each, 50% in cash and 50% in shares and finally to Mr. Santiago González Enciso, €15,750, 50% in cash and 50% in shares.

All of this is included in section C.1.A. paragraph i and ii, which reflects the amounts paid both in cash and in shares, as well as the deferred periods, for each of the executive directors.

This annual remuneration report was approved by the company's board of directors at their meeting held on

23/02/2021

List whether any directors voted against or abstained from voting on the approval of this Report.

Yes

No