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**IDENTIFYING DATA OF THE ISSUER**

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End date of the reference year:

[ 31/12/2019 ]

Tax ID:

[ A-82473018 ]

Company name:

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

Registered office:

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

**A. OWNERSHIP STRUCTURE**

A.1. Fill in the following table on the company's share capital:

Date of last change	Share capital (€)	Number of shares	Number of voting rights
27/09/2011	18,311,941.35	40,693,203	40,693,203

Indicate whether different types of shares exist with different associated rights:

Yes

No

A.2. State the direct and indirect holders of a significant stake at year-end, excluding directors:

Name or company name of the shareholder	% of voting rights attached to the shares		% of voting rights through financial instruments		Total % of voting rights
	Direct	Indirect	Direct	Indirect	
MARIA BEATRIZ LOPEZ PERERA	0.00	5.03	0.00	0.00	5.03
MUTUALIDAD GENERAL DE LA ABOGACIA	6.88	0.00	0.00	0.00	6.88
INDUMENTA PUERI S.L.	0.00	5.59	0.00	0.00	5.59

Details of the indirect stake:

Name or company name of the indirect holder	Name or company name of the direct holder	% of voting rights attached to the shares	% of voting rights through financial instruments	Total % of voting rights
MARIA BEATRIZ LOPEZ PERERA	CONTRATAS Y SERVICIOS EXTREMEÑOS, S.A.	5.03	0.00	5.03
INDUMENTA PUERI S.L.	GLOBAL PORTFOLIO INVESTMENTS SL	5.59	0.00	5.59

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

The position of the MUTUALIDAD GENERAL DE LA ABOGACIA is reported in this section because in 2019 the company resigned as a director, but continues to be a shareholder of the company.

**A.3.** Fill in the following tables on the members of the company's Board of Directors who own voting shares in the company:

Name or company name of the director	% of voting rights attached to the shares		% of voting rights through financial instruments		Total % of voting rights	% of voting rights that <u>may be transferred</u> through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MR JOSE RAMON RUBIO LAPORTA	0.99	0.00	0.00	0.00	0.99	0.00	0.00
MRS INES JUSTE BELLOSILLO	0.02	0.00	0.00	0.00	0.02	0.00	0.00
MR JUAN CARLOS URETA DOMINGO	31.21	13.53	0.00	0.30	44.74	0.00	0.30
MR EDUARDO CHACON LOPEZ	0.02	0.00	0.00	0.00	0.02	0.00	0.00
MR PEDRO ANGEL NAVARRO MARTINEZ	0.41	0.10	0.00	0.00	0.51	0.00	0.00
MR JUAN LUIS LOPEZ GARCIA	0.19	0.00	0.02	0.00	0.19	0.02	0.00
MR JESÚS SANCHEZ-QUIÑONES GONZALEZ	0.73	0.00	0.00	0.00	0.73	0.00	0.00
MR SANTIAGO GONZALEZ ENCISO	1.39	3.02	0.00	0.00	4.41	0.00	0.00
MR PEDRO FERRERAS DIEZ	0.22	0.00	0.00	0.00	0.22	0.00	0.00
MRS SARAH MARIE HARMON	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MRS GEMMA AZNAR CORNEJO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>% of total voting rights held by the Board of Directors</b>						<b>51.83</b>	

Details of the indirect stake:

Name or company name of the director	Name or company name of the direct holder	% of voting rights attached to the shares	% of voting rights through financial instruments	Total % of voting rights	% of voting rights that <u>may be transferred</u> through financial instruments
MR JUAN CARLOS URETA DOMINGO	SURIKOMI S.A	5.19	0.30	5.19	0.30
MR JUAN CARLOS URETA DOMINGO	SOCIEDAD VASCO MADRILEÑA DE INVERSIONES S.L.	5.86	0.00	5.86	0.00
MR SANTIAGO GONZALEZ ENCISO	IGE-6, S.L	0.64	0.00	0.64	0.00
MR SANTIAGO GONZALEZ ENCISO	FUNDACION GONZALEZ ENCISO	1.11	0.00	1.11	0.00
MR PEDRO ANGEL NAVARRO MARTINEZ	KURSAAL 2000, S.L.	0.10	0.00	0.10	0.00

Mrs. Sarah Marie and Mrs. Gemma Aznar are included because they directly hold a percentage corresponding to 0.005% and 0.002%, respectively, of the voting rights attached to shares, although the actual percentages cannot be shown correctly in the table above due to the limitations of the system (only two decimal points are allowed).

Likewise, Mr Eduardo Chacón has been included as the indirect owner of a percentage that makes up 0.001% of voting rights attached to the shares, although the actual percentages cannot be shown correctly in the table above due to the limitations of the system (only two decimal points are allowed).

With regard to Mr Juan Carlos Ureta Domingo (indirect stake) and Mr Juan Luis López García (direct stake), we have reported their positions in CFDs on the Renta 4 Banco security for the purposes of consistency of the information entered into the CNMV records. Nevertheless this position in CFDs does and will not grant its holder any voting rights on the Renta 4 Banco security as the CFDs are a synthetic financial instrument that is always settled by differences (not deliverable).

**A.4.** Indicate, as applicable, any family, commercial, contractual or corporate relationships between owners of significant stakes, insofar as these are known by the company, unless they are insignificant or arise from ordinary trading or exchange activities, except for those reported in section A.6:

Name or company name of the related party	Type of relationship	Brief description
No data		

- A.5. Indicate, as applicable, any commercial, contractual or corporate relationships between owners of significant stakes, and the company and/or its group, unless they are insignificant or arise from ordinary trading or exchange activities:

Name or company name of the related party	Type of relationship	Brief description
No data		

- A.6. Describe the relationships, unless insignificant for both parties, between the significant shareholders, or represented shareholders, on the Board and the directors, or their representatives, when the administrators are a legal entity.

Explain, where appropriate, how the significant shareholders are represented. In particular, specify any directors who have been appointed to represent significant shareholders, those whose appointment was promoted by significant shareholders, or those who were related to significant shareholders and/or entities in their group, indicating the nature of such relationship. In particular, indicate, where appropriate, the existence, identity and position of Board members or directors' representatives of the listed company who are also members of the management body, or their representatives, in companies with a significant stake in the listed company or in companies of the group of such significant shareholders:

Name or company name of the director or representative, related	Name or company name of the significant related shareholder	Company name of the significant shareholder's group company	Description of the relationship/position
MR EDUARDO CHACON LOPEZ	CONTRATAS Y SERVICIOS EXTREMEÑOS, S.A.	CONTRATAS Y SERVICIOS EXTREMEÑOS, S.A.	CHAIRMAN - CEO
FUNDACION OBRA SOCIAL DE LA ABOGACIA ESPAÑOLA	MUTUALIDAD GENERAL DE LA ABOGACIA	MUTUALIDAD GENERAL DE LA ABOGACIA	REPRESENTATIVE OF THE SIGNIFICANT SHAREHOLDER ON RENTA 4 BOARD OF DIRECTORS

- A.7. Indicate whether the company has been notified of any shareholders' agreements pursuant to Articles 530 and 531 of the Spanish Limited Liability Companies Law. If so, provide a brief description and list the shareholders that are party to the agreement:

Yes  
 No

Indicate whether the company is aware of the existence of any joint actions among its shareholders. Give a brief description as applicable:

Yes  
 No

Expressly indicate any amendments to or termination of such covenants, agreements or joint actions during the year:

[ None. ]

**A.8.** Indicate whether any individual or legal entities currently exercise control or could exercise control over the company pursuant to Article 5 of the Securities Market Law. If so, identify:

[ v ] Yes  
[ ] No

Name or company name
JUAN CARLOS URETA DOMINGO

[ The direct and indirect stake in the share capital is 44.74%. ]

**A.9.** Complete the following tables on the company's treasury shares:

At the end of the fiscal year:

Number of direct shares	Number of indirect shares(*)	Total % out of share capital
89,780		0.22

(\*) Through:

Name or company name of the direct holder of the stake	Number of direct shares
No data	

Explain any significant changes during the year:

**Explain significant changes**

[ During the period ending on 31 December 2019, own equity instruments have been acquired for a total of 393 thousand euros, and 231 thousand euros have been sold, recording capital gains directly in its equity for 36 thousand euros. ]

**A.10. Give details of the applicable conditions and current timeline for the general meeting to authorise the Board of Directors to issue, buy back or transfer treasury shares:**

On 27 April 2018, the General Meeting of Shareholders adopted the following resolution: "The Board of Directors is authorised, with express powers of substitution, -even if this could lead to self-hiring or despite opposing interests- to carry out the derivative purchase of the Company's treasury shares, directly or indirectly through the Company's group companies, and as deemed convenient in the light of the circumstances, subject to Article 146 and the following articles in the revised text of the Spanish Limited Liability Companies Law and other applicable regulations. The minimum buying price or consideration will be equal to the par value of the treasury shares purchased, and the maximum buying price or consideration will be equal to the quoted price of the treasury shares purchased in an official secondary market on the date of purchase. At no time may the par value of the shares directly or indirectly purchased, added to those already held by the Company and its subsidiaries, exceed 10% of the subscribed share capital or the maximum amount that may be established by law. The types of purchase may include sale and purchase, swap, donation, allocation or payment in kind or any other type of transaction for consideration according to the circumstances. This authorisation is granted for a period of five years. The authorisation granted provides that the shares purchased may be used in whole or in part for allocation or transfer to the directors or employees of the Company or companies in the Company's group, directly or as a result of them exercising option rights, within the scope of the Company's share price-based compensation systems approved appropriately. For this, the Board of Directors is authorised, with express power to substitute the members of the Board as deemed convenient, included the Secretary and the Vice Secretary of the Board, as extensively as necessary to apply for authorisations and adopt as many resolutions as necessary or convenient under the current regulations to execute and successfully deliver this agreement."

**A.11. Estimated floating capital:**

	%
Estimated floating capital	36.22

**A.12. Give details of any restrictions (statutory, legal or otherwise) on the transfer of securities and/or voting rights. In particular, detail the existence of any kinds of restrictions that could hinder the company takeover through the purchase of its shares in the market, as well as any prior authorisation or communication rules that, with regard to the purchase or transfer of financial instruments in the company, would be applicable under the industry regulations.**

Yes  
 No

**Description of the restrictions**

Renta 4 Banco, S.A., as a credit entity, is subject to Article 17 of the Spanish Law 10/2014, of 26 June on the organisation, supervision and solvency of credit entities and the regulations that develop it, including Royal Decree 84/2015 of 13 February that develops said law and Circular 5/2010 of 28 September issued by the Bank of Spain. In this regard, when a person (natural or legal, alone or jointly with other persons) decides to purchase (directly or indirectly) a significant stake in a credit entity and will thereby acquire a percentage of voting rights or owned share capital equal to or above 20, 30 or 50% or if by virtue of the purchase such person will gain control of the credit entity as described in Article 42 of the Commercial Code, such person will be required to notify this to the Bank of Spain beforehand and will need prior authorisation to purchase/transfer their stake in the share capital of the credit entity.

**A.13.** Indicate whether the general meeting has resolved to adopt neutralisation measures to address a takeover bid by virtue of the provisions of Law 6/2007.

Yes  
 No

If applicable, explain the measures approved and the terms under which these restrictions may be non-enforceable:

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

Yes  
 No

Where applicable, state the various classes of shares, and the rights and obligations attached to each class:

## **B. SHAREHOLDERS MEETING**

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**B.1.** Indicate and state, if any, the differences with respect to the minimums stipulated in the Spanish Limited Liability Companies Law (LSC) with regard to the quorum required for the constitution of the general meeting:

Yes  
 No

**B.2.** Indicate and, as applicable, describe any differences between the company's system of adopting corporate resolutions and the framework established in the Spanish Limited Liability Companies Law (LSC):

Yes  
 No

**B.3.** Indicate the rules governing amendments to the company's bylaws. In particular, indicate the majorities required to amend the bylaws and, if applicable, the rules for protecting shareholders' rights when the bylaws are amended.

According to Article 21 of the Company's Articles of Association "any amendment to the Articles of Association shall require the attendance, at first call, of shareholders present in person or by proxy, of at least fifty percent (50%) of the subscribed voting share capital, and at second call, the attendance of twenty-five percent (25%) of said capital shall be sufficient", providing, for the valid adoption of the corresponding resolution, that when, at second call, shareholders representing twenty-five percent (25%) or more of the subscribed voting share capital are present but do not reach fifty percent (50%), resolutions may only be validly adopted with the favourable vote of two thirds of the capital present in person or by proxy at the Meeting. Likewise, Article 12 of the Board of Directors Regulations (the "Board Regulations") states, and further provides in Article 25.3.c), that the amendment to the Articles of Association shall be voted by shareholders separately so that they can exercise their individual voting preferences, such separate approach to be applied for those other matters that are substantially independent, including amendments to the Articles of Association.

Lastly, Article 26 of the General Meeting Regulations sets forth that in order to agree the amendment of the Bylaws, if the capital present or represented at the meeting exceeds fifty percent (50%), the resolution may be adopted with an absolute majority.



The vote in favour of two thirds of the capital present or represented at the General Meeting shall be required when the meeting, on second call, is attended by shareholders representing twenty-five percent (25%) or more of the subscribed capital with voting rights, but less than fifty percent (50%).

**B.4.** Indicate the attendance figures for the general meetings held during the year and those of the two previous fiscal years:

Date of General Meeting	Attendance information				
	% of attendance in person	% in represented	Electronic voting	% remote voting Other	Total
28/04/2017	47.24	22.22	0.00	0.00	69.46
Of which Floating Capital	1.09	9.78	0.00	0.00	10.87
27/04/2018	42.81	28.12	0.00	0.00	70.93
Of which Floating Capital	1.58	9.89	0.00	0.00	11.47
29/04/2019	48.13	19.61	0.00	0.00	67.74
Of which Floating Capital	1.72	6.40	0.00	0.00	8.12

**B.5.** Specify if there have been any items on the agenda at the General Meetings held during the year that, for whichever reason, were not adopted by the shareholders:

Yes  
 No

**B.6.** Indicate whether the bylaws contain any restrictions with respect to a minimum number of shares required to attend general meetings or to vote remotely:

Yes  
 No

**B.7.** Indicate if there is a rule establishing that certain decisions, other than those established by Law, that involve the purchase, disposal, contribution to another company of key assets or other similar corporate operations, should be put to vote at the General Meeting of Shareholders:

Yes  
 No

**B.8.** Indicate the address and mode of accessing corporate governance content on the company's website, as well as other information on general meetings which must be made available to shareholders on the Company website:

Corporate website: <https://www.renta4banco.com/es/>

Information on corporate governance and other information on the general meetings can be found on the website in the "Corporate Governance" section, located at the top of the corporate website. This section contains all the corporate information on the subject in accordance with current legislation.

**C. STRUCTURE OF THE COMPANY'S GOVERNING BODY**

**C.1. Board of Directors**

C.1.1 The maximum and minimum number of directors stipulated in the Company Bylaws and the number stipulated by the General Meeting:

Maximum number of directors	15
Minimum number of directors	5
Number of directors stipulated by the General Meeting	15

C.1.2 Fill in the following table with the Board members' particulars:

Name or company name of the director	Representative	Category of the director	Position on the Board	Date of first appointment	Date of last appointment	Appointment procedure
MR JOSE RAMON RUBIO LAPORTA		Independent	INDEPENDENT LEAD DIRECTOR	28/04/2015	29/04/2019	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MRS INES JUSTE BELLOSILLO		Independent	DIRECTOR	28/04/2017	28/04/2017	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MR JUAN CARLOS URETA DOMINGO		Executive	CHAIRMAN	20/08/1999	28/04/2017	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MR EDUARDO CHACON LOPEZ		Proprietary	DIRECTOR	28/04/2017	28/04/2017	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MR PEDRO ANGEL NAVARRO MARTINEZ		Other External	VICE-PRESIDENT	20/08/2000	28/04/2017	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MR JUAN LUIS LOPEZ GARCIA		Executive	CEO	27/09/2011	28/04/2017	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MR JESÚS SANCHEZ-QUIÑONES GONZALEZ		Executive	DIRECTOR	26/05/2000	28/04/2017	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS

Name or company name of the director	Representative	Category of the director	Position on the Board	Date of first appointment	Date of last appointment	Appointment procedure
MR SANTIAGO GONZALEZ ENCISO		Executive	DIRECTOR	20/08/1999	28/04/2017	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MR PEDRO FERRERAS DIEZ		Other External	DIRECTOR	18/07/2005	28/04/2017	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
FUNDACION OBRA SOCIAL DE LA ABOGACIA ESPAÑOLA	MR RAFAEL NAVAS LANCHAS	Proprietary	DIRECTOR	27/11/2012	27/04/2018	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MRS SARAH MARIE HARMON		Independent	DIRECTOR	29/04/2016	29/04/2016	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS
MRS GEMMA AZNAR CORNEJO		Independent	DIRECTOR	29/04/2019	29/04/2019	RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS

Total number of directors	12
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Indicate the directors who have left by resignation, removal or any other cause, from the Board of Directors during the reporting period:

Name or company name of the director	Category of the director when they left	Date of last appointment	Date of departure	Special committees the director was a member of	Indicate whether the director left before the end of their office
MR EDUARDO TRUEBA CORTÉS	Other External	28/04/2017	19/12/2019	Appointments and Remuneration Committee	YES
MR FRANCISCO DE ASIS GARCÍA MOLINA	Independent	28/04/2017	19/12/2019	Audit and Control Committee and Appointments and Remuneration Committee	YES

Name or company name of the director	Category of the director when they left	Date of last appointment	Date of departure	Special committees the director was a member of	Indicate whether the director left before the end of their office
MUTUALIDAD GENERAL DE LA ABOGACIA	Independent	28/04/2017	19/12/2019		YES

**Reason for leaving and other observations**

Mr. Eduardo Trueba Cortés, Mr. Francisco de Asís García Molina and the Mutualidad General de la Abogacía (represented by Mr. Enrique Sanz Fernández-Lomana) presented their respective resignations in order to facilitate that the composition of the Board of Directors of the Company is even more in line with the trends, best practices and guidelines of good corporate governance. In addition, with regard to Mr. Trueba Cortés, we would like to inform that on October 29, 2019, he presented his resignation as an independent Director of the Company, and consequently the Board appointed, upon proposal of the ARC, Mr. José Ramón Rubio Laporta, as an independent Director of the Company, who accepted the position to which he was appointed on the same date.

C.1.3 Complete the following tables on board members and their respective categories:

EXECUTIVE DIRECTORS		
Name or company name of the director	Position in the company organisation chart	Profile
MR JUAN CARLOS URETA DOMINGO	CHAIRMAN	Mr Ureta has a degree in Law-Economy (Lawyer specialising in Economics) by Deusto University. As State Attorney (1980 examination), he worked for the Ministry of Economy and Treasury (1980 -1984). He has been a Stockbroker of the Madrid Stock Exchange since 1986 (number 1 in his year). Mr Ureta was the Chairman of the Instituto Español de Analistas Financieros from 2010 to 2016 and of the Fundación de Estudios Financieros from 2010 to 2016. Furthermore, he has been a member of the Board of Directors of Saint Croix Holding Immobilier, Socimi, S.A. and a member of the Board of Directors and of the Standing Committee of the Governing Body of the Madrid Stock Exchange since 1989. Between 1996 and 2003 he was a member of the Board of Directors of the Servicio de Compensación y Liquidación de Valores (Iberclear) and was the chairman of such service in 2002. Mr Ureta is also a member of the Board of Directors of Bolsas y Mercados Españoles (BME) from 2002 until 2006 and from 2018, member of the Board of Directors of Indra Sistemas (1998- 2007) Spanish leading company in information technology; and member of the Advisory Board of Lucent Technologies in Spain (1996 and 2001). Besides publishing countless papers on legal and financial matters, Mr Ureta is a consultant for several Spanish and foreign business groups.
MR JUAN LUIS LOPEZ GARCIA	CEO	Mr López García has a degree in Economic and Business Sciences by the Complutense University of Madrid. Between 1980 and 1986 he worked as a financial analyst for BANIF. He then moved to the Banco Hispano Urquijo in London (Risk Department) for 10 months.

EXECUTIVE DIRECTORS		
Name or company name of the director	Position in the company organisation chart	Profile
		<p>In 1987 he joined Urquijo Gestión de Patrimonios acting as portfolio manager and manager of Collective Investment Undertakings. Subsequently (1988-1991) he worked as portfolio manager for GESBANZANO, SGIIC (Banco Zaragozano Group) to then become an independent professional advising entities, especially non-profit-making organisations (1991-1997). In 1997 he joined Renta 4 where he was appointed as General Manager in March 2004. From 2006 until 2007 he was Chairman of Renta 4 Pensiones EGFP S.A. Until March 2011 he was Chairman and CEO of Renta 4 Gestora, SGIIC, S.A. and General Manager of Renta 4 Servicios de Inversión, S.A. where he has taken on different functions. At present, Mr Juan Luis López is a member of the Board of Directors of Renta 4 Pensiones SGFP, S.A. and Renta 4 Banco, S.A. and has also been CEO of the latter since January 2015.</p>
MR JESÚS SANCHEZ-QUIÑONES GONZALEZ	GENERAL MANAGER	<p>Mr Sánchez-Quiñones has a degree in Business Management and Administration by ICADE and a Master's degree in Tax and Economic Studies by CECO. He was in charge of the management (and attendance) of all courses and seminars organised by Aula Financiera &amp; Fiscal from 1991 to 2004. Since 2012, Mr. Sánchez-Quiñones has been General Manager at Renta 4 Banco, being the head of the areas of Business, Markets, Asset Management, Online Intermediation, Corporate Finance, Research, Marketing and Private Banking. From 2006 to 2012, he held the position of General Manager at Renta 4 S.V., being the head of the areas of Business, Markets, Asset Management, Online Intermediation, Corporate Finance, Research, Marketing and Private Equity Management. Since 2000, he has been Director at Renta 4 Servicios de Inversión (Holding), where he had a significant degree of involvement in the company's IPO (2007). In 1991 he founded (and was the Administrator of) Aula Financiera &amp; Fiscal, S.L. a company specialising in training professionals from the Private Banking and Equity Management sector in tax and financial matters, most of them inspectors from the General Tax Department. Between 2004-2006 he was Chairman of Renta 4 S.G.I.I.C., S.A. and General Manager at Renta 4 S.V. In 1996 (until 2000) he was Assistant Manager of the Chairman of Renta 4 S.V. and had previously worked as Manager of the analysis department, Operator of the table of derivatives and international contracting and Analyst of the Corporate Finance department. Besides being the coauthor of many publications and taking part in different work teams (e.g. CNMV and BME), he is a member of, among other organisations, the Grupo de Asesores Económicos, the Instituto Español de Analistas Financieros and frequently gives lectures at courses and seminars organised by different institutions (e.g. the Economy and Financial Politics Committee of the CEOE).</p>

EXECUTIVE DIRECTORS		
Name or company name of the director	Position in the company organisation chart	Profile
		Since April 2019 he has also been a Director at KOBUS PARTNERS MANAGEMENT SGEIC, S.A.
MR SANTIAGO GONZALEZ ENCISO	REGIONAL DIRECTOR	<p>After training as a lawyer, his career has been linked to the business world, taking on management roles and being part of governing bodies in different companies, mainly within the financial and real-estate market.</p> <p>In this field, he joined Manglo, S.A. as Sales Manager in 1982 where he supervised the Finances and HR Department. Mr González was then appointed Director from 1985 until 1996. He was also Sole Administrator at Miralpáramo, S.L. He joined Renta 4 in 1991 as Regional Manager at Renta 4 SV in Valladolid and Regional Manager in Castilla y León at Renta 4 SV. He is currently the Manager at Renta 4 Valladolid; Regional Manager at Renta 4 Castilla y León; Director of the company Renta 4 Banco; Director of the company Renta 4 S.V., S.A; Chairman of the Board of Directors of Auditórium Privatum S.L; and CEO of I.G.E-6,S.L. Furthermore, Mr González Enciso is a financial advisor and trustee of several non-profit foundations and associations, and member of the Social Board at the University of Valladolid.</p>

Total number of executive directors	4
% out of the total of the board	33,33

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder represented or that has proposed their appointment	Profile
MR EDUARDO CHACON LOPEZ	CONTRATAS Y SERVICIOS EXTREMEÑOS, S.A.	<p>Mr Chacón has a degree in Business and Economics Sciences by the University of Extremadura (1995) having studied the first two years at the University of Valladolid and has a degree in Business Senior Management by the San Telmo Business School, Seville (1997). He also attended a course on Senior Management, PAD (2008) by the Extremadura Business School of which he is founder and owner. Since 1995 he has been CEO of a group of family businesses from Extremadura that specialise in managing different services: street cleaning, maintenance, upkeep and cleaning of property, car parks and signposting, with a workforce of about eight hundred people, of which an approximate ten percent is disabled.</p>

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder they represent or who has proposed their appointment	Profile
		<p>Since 1997 he has sat on the Business Advisory Board of Mutua Fremap in Extremadura and is a Director of the Parking, S.L. organisation in Cáceres. Mr Chacón had been a member of the Governing Board of Caja Rural de Almedralejo, cooperative credit organisation from December 2013 until april 2017. He has also taken other courses on different subjects including Environment, Urban Waste Management and Treatment, trained to transport goods by road and other courses on Family business management, Leadership skills and Technical analysis of financial markets. He regularly attends high-level training courses and is especially interested in matters related to business strategy, team management, family businesses and the parallelism between the management of the sports world and the business world.</p>
FUNDACION OBRA SOCIAL DE LA ABOGACIA ESPAÑOLA	MUTUALIDAD GENERAL DE LA ABOGACIA	<p>Mr Navas Lanchas (natural person representing the Foundation) has a degree in Economic Sciences (1986) and Insurance Actuary (1986) by the Complutense University. He has also taken several courses on the Liquidation of Insurance Companies in UNESPA (July 1991); insurance and reinsurance in general and other specific courses on life insurance and pension funds; and Internal Control and solvency II of insurance companies. Basic skills in office software, Internet, email and actuary calculation software (ACTUS). Since 2013, he has been the General Manager of Mutualidad General de la Abogacía, having acted as Assistant General Manager the previous year. From 2006 to 2012 Mr Navas was Deputy General Manager of Mutualidad General de la Abogacía (since 2008 Deputy General Manager of the Financial Area of Mutualidad General de la Abogacía in charge of the departments of Financial Investments, Real-estate investments, Accountancy and Actuary Department; and from 2006 to 2008, Deputy General Manager coordinating all the departments in Mutualidad).</p> <p>He was also the Head of the Technical Actuary Department of Mutualidad General de la Abogacía (1991-2006). Previously Mr Navas had worked at Ernst Young as an auditor (insurance and finance sector, 1990-1991) and at Espacontrol Deloitte where he also worked as an auditor (1987-1990).</p>

Total number of proprietary directors	2
% out of the total of the board	16.67

EXTERNAL INDEPENDENT DIRECTORS	
Name or company name of the director	Profile
MR JOSE RAMON RUBIO LAPORTA	Mr Rubio has held different leading positions during his career. In particular, he started his career working in the headquarters of Marks & Spencer in London. From 1975 until 1982 he was General Secretary and Secretary to the Board of Directors as well as Manager of the Legal Counsel department for a group of family businesses in the building, property development, mining and electric supply sector with over 700 employees. In 1982 he was a founding partner of the law firm "Mateu de Ros, Ramón y Cajal Rubio y asociados", today "Ramón y Cajal Abogados", where he remained until 1994 where he developed mainly the international business, participating in various operations of Spanish companies public offering in London, introducing foreign investors in Spanish listed companies, organizing presentations of the Spanish Chamber of Commerce in London, and advising different firms, among others to "BNP Securities", "Ask Securities" and "Map Securities", all from London. He has been a director at entities such as "Mediterranean Fund" managed by "Lombard Odier y Cia" and Secretary of the Board of Directors at "Ascorp, S.A." a listed company of the "Grupo Cooperativo Mondragón", and has held various other positions as Director in other companies dedicated to strategic management, real estate services as well as from within the health sector. From 1995 until 1998 he was CEO of the insurance group Previa. Since 1998 he has been Vice President and CEO of the Grupo Hospitalario Quirón. In June 2012 he was appointed Chairman of the Institute for development and integration of Healthcare (IDIS) and in July 2012 he became Vice President of USP Hospitals. Mr Rubio has a degree in Law by the Complutense University of Madrid (1974) and furthered his studies with different courses on Politics by the Complutense University of Madrid (1975) and on Urban Planning Law. He speaks English and German.
MRS INES JUSTE BELLOSILLO	She finished her degree in Business Sciences by the Autónoma University of Madrid in 1997 and her MBA by the Instituto de Empresa in 1998. In 1999 she became exports manager in charge of the European market and of opening new markets, meeting new trade partners and attending international fairs for Perfumería GAL, S.A. From 1999 until 2001 she was external consultant at DPB Consultores and was the Financial Head of the NGO-German Agro Action (Luanda, Angola) from 2003 to 2004. In 2011 (to date) she was appointed Chairwoman of the JUSTE Group which is a Spanish industrial group with family capital and over 90 years' experience in research, development, manufacturing and selling pharmaceutical and chemical-pharmaceutical products.
MRS SARAH MARIE HARMON	She passed her degree in Journalism by Kansas University in 1990 and a Master's degree in Healthcare Management by the North Carolina University in 1995. From 1995 until 1998 she was Manager of Customer Support at United Healthcare. From 1998 to 2000 Ms Harmon was Senior Manager for Cerner Corporation. She took on the position of Practice Manager at EHealth (Entensity Inc.) from 2000 to 2001 when she joined Medem, Inc. as Business Development Manager until 2003. In 2004 she joined Microsoft Ibérica where she held different posts until she became Business Development Manager from 2011 until 2013. During 2013-2019 she has been General Manager at LinkedIn Iberia, and since July 2019 she has been General Manager at Habitissimo, S.L.
MRS GEMMA AZNAR CORNEJO	Mrs. Aznar Cornejo has a degree in Economics and Business Studies from the Universidad Abad Oliba in Barcelona (specialising in Business Economics).



**EXTERNAL INDEPENDENT DIRECTORS**

Name or company name of the director	Profile
	<p>Since 2005, Mrs. Gemma has held the position of General Manager at Mary Kay Cosmetics in Spain, where she has developed, mainly, management functions through various departments (Finance, Marketing, Sales, Operations and HR), as well as multiple strategies including: commercial, marketing, internal, cost control or analysis of variables. From the end of 1998 to the end of 2004, he held the position of Senior Analyst in Corporate Banking in the Risk Division of Banco Santander, S.A., where he carried out, among others functions, the financial and operational analysis for large corporations in different sectors. Previously (May 1996 to September 1998) he was a Corporate Banking analyst at Banco Central Hispano in London, where he developed financial and economic analysis functions for multinational groups, and served as a liaison with the client to understand their needs. In addition to speaking Spanish, English and Catalan, Mrs. Aznar has taken various courses and programs that complement her main training, including the "International Business" course (Polytechnic City of London), the "Techniques and Analysis of Stock Market Operations" course (Barcelona Stock Exchange and Abad Oliba), and the "Advance Management Program" (AMP) (ESADE).</p>

Total number of independent directors	4
% out of the total of the board	33,33

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

If applicable, include a statement from the board detailing the reasons why it believes this director may carry out duties as an independent director.

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

**OTHER EXTERNAL DIRECTORS**

Identify the other external directors and explain why these directors may not be considered proprietary or independent directors, and what their connection is with the Company, its managers or its shareholders:

Name or company name of the director	Reason	Company, director or shareholders to which this person is linked	Profile
MR PEDRO ANGEL NAVARRO MARTINEZ	Has exceeded the 12-year limit to hold the position of independent Director.	RENTA 4 BANCO S.A.	Mr Navarro is an industrial engineer by the Polytechnic University of Barcelona.

OTHER EXTERNAL DIRECTORS

Identify the other external directors and explain why these directors may not be considered proprietary or independent directors, and what their connection is with the Company, its managers or its shareholders:

Name or company name of the director	Reason	Company, director or shareholders to which this person is linked	Profile
			<p>He also has an MBA by ESADE and a Master's degree in Finances by the Texas Tech University (USA). He began his career by working for two years and a half at Texas Instruments Inc. in Dallas (USA) and Nice (France).</p> <p>Mr Navarro then worked for a year at Honeywell Bull Spain. In 1972 he joined Accenture (formerly Arthur Andersen) where he remained until 2001. In Accenture he held the positions of Office Managing Partner in the office in Barcelona, then Chairman for Spain, CEO for Southern Europe and CEO of the Financial Entities sector for Europe, Latin America and Africa. He was a member of the World Board for ten years, from 1990 until 2000. At present, Mr Navarro is an independent Director of Renta 4 Banco, S.A. and Jazztel PLC; Executive Vice President of the Board of Trustees of ESADE and Vice President of CEDE (Spanish Confederation of Managers and Executives). Mr Navarro also belongs to the Círculo de Empresarios and the Instituto de Consejeros-Administradores (ICA).</p>
<p>MR PEDRO FERRERAS DIEZ</p>	<p>Has exceeded the 12-year limit to hold the position of independent Director.</p>	<p>RENTA 4 BANCO S.A.</p>	<p>Mr Ferreras has a degree in Law by the University of Oviedo (1977). Before joining the State Attorney Office in 1984 he was a lecturer in Administrative Law at the University of León (1978-1982).</p>

**OTHER EXTERNAL DIRECTORS**

Identify the other external directors and explain why these directors may not be considered proprietary or independent directors, and what their connection is with the Company, its managers or its shareholders:

Name or company name of the director	Reason	Company, director or shareholders to which this person is linked	Profile
			Since 1985 he has been working as a lawyer and is a Managing Partner of Ferreras Abogados. Mr Ferreras has been Chairman of SEPI (1996-2001) and a Director in different companies, including Repsol, Telefónica, SEPPA, the European Aeronautic Defense and Space Company. Likewise, he is a member of the Governing Board of the APD (Spanish Association for the Progress of Management) and a member of the Economic and Social Board of the International University of Catalunya. In September 2001 he resumed his activity as a lawyer.

Total number of other external directors	2
% out of the total of the board	16.67

Indicate any changes in the status of each director that may have occurred during the year:

Name or company name of the director	Date of change	Prior category	Current category
No data			

C.1.4 Complete the following table with the information on the number of female directors over the past 4 years and their category:

	Number of female board members				% of total directors of each category			
	2019	2018	2017	2016	2019	2018	2017	2016
Executive					0.00	0.00	0.00	0.00
Proprietary					0.00	0.00	0.00	0.00
Independent	3	2	2	1	75.00	40.00	40.00	16.66
Other External Female Directors					0.00	0.00	0.00	0.00
Total	3	2	2	1	25.00	14.29	14.29	8.33

C.1.5 Indicate whether the company has diversity policies in place for its Board of Directors with regards to age, gender, disability, education or work experience, among other matters. Small and medium businesses, as described by the Auditing Law, should at least report about the policy they have established to ensure gender diversity.

- Yes  
 No  
 Partial policies

If this is the case, describe the diversity policies, their targets, measures and the way they have been implemented and their outcome in the fiscal year. Also indicate the specific measures taken by the Board of Directors and the Appointments and Remuneration Committee to ensure a balanced and diverse ratio of directors.

Should the company not have a diversity policy in place, explain the reasons for it.

**Description of policies, targets, measures and way they have been implemented, as well as their outcome.**

In accordance with the provisions of Article 33.2 of the Articles of Association, Article 9.5 of the Regulations of the Board of Directors (the "Board Regulations") provides that "the Board of Directors shall ensure that the procedures for the selection of its members favour the diversity of gender, experience and knowledge and do not suffer from any implicit bias that could imply any discrimination and, in particular, that they facilitate the selection of female directors". The Board of Directors has entrusted this function to the Appointments and Remuneration Committee ("ARC") as described in Article 32.3(g) of the Board Regulations, where it indicates, among other functions assigned to the ARC, that it should "Ensure that the director selection procedures do not discriminate in terms of gender, set a representation target for the least represented gender and prepare guidelines on how to reach such target".

During 2019, the ARC developed part of its activity by focusing on the implementation of these policies, studying and analysing different female candidates as potential members of the Board of Directors for the next years. In application of these diversity policies, the General Shareholders' Meeting, at the proposal of the ARC and following a report from the latter and the Board, appointed Mrs. Gemma Aznar as the new independent female director of the Company.

- C.1.6 Explain any measures that may have been agreed by the appointments committee to prevent any implicit bias in selection procedures to hinder the selection of female board members, and for the company to deliberately strive to include women who meet the professional profile sought among the candidates and that will enable a balanced ratio of men and women:

#### Explanation of the measures

Article 9.5 of the Board Regulations provides that the Board of Directors will ensure that the procedures for selecting its members promote diversity of gender, experience and knowledge and are free of any implicit bias that may entail discrimination and, in particular, facilitate the selection of women directors. In this regard, the Board has entrusted the ARC with the function of ensuring that the director selection procedures do not discriminate in terms of gender, set a representation target for the least represented gender and prepare guidelines on how to reach such target in accordance with Article 32.3.g) of the Regulations of the Board of Directors.

In turn, Article 32 of the Board Regulations and, in order to avoid any implicit bias in the procedures for selecting the members of the Board of Directors that might hinder and/or prevent the selection of Female Directors, provides that the ARC shall: (i) Evaluate the skills, knowledge and experience required by the Board of Directors, defining, as a consequence, the functions and skills required by the candidates to fill each vacancy and evaluating the time and dedication required to properly perform their duties. Any Director may request the ARC to consider potential candidates to fill vacancies on the Board of Directors, if they consider them suitable; and (ii) to ensure that the procedures for selecting Directors do not discriminate on the basis of gender diversity, establish a representation target for the under-represented gender and prepare guidelines on how to achieve this target.

The ARC has aimed to, by establishing the goals and basic principles applied to the director selection process and a series of conditions that the candidates must meet, in line with the director Selection Policy:

(i) To promote diversity and integration of knowledge, experiences and gender, striving to ensure that by 2020 the number of female directors represents at least 30% of the total number of members of the Board; and to achieve an adequate balance on the Board of Directors to enrich decision-making and to contribute plural points of view to the debates on matters within its competence; and

(ii) Ensure that the proposals for the appointment or re-election of directors are based on a preliminary analysis of the needs of the Board of Directors. As a result of the above, the ARC proposed a director Selection Policy based on the principles of diversity and balanced composition of the Board of Directors and this was adopted by the Board of Directors. In order to apply such policy, the ARC has continued during 2019 enforcing the process that started in 2018 to increase diversity on the Board of Directors, actions which resulted in the selection and later appointment of the new female director in 2019.

When, despite the measures adopted, there are few or no female directors, explain the reasons:

#### Explanation of the reasons

The ARC, in order to continue applying the best practices in corporate governance pursued by the Company and, in particular, those related to gender diversity within the Board of Directors, has focused its activity, throughout the year 2019, on the application of these policies -after the study and analysis of the different candidates- in order to increase the percentage of female representation on the Board, proposing to the General Shareholders' Meeting (and being approved by the latter) the appointment of Mrs. Gemma Aznar as the new independent female director. As it could not be otherwise, the Company will continue to work in this line, promoting diversity on the Board of Directors and outlawing the existence of discrimination or bias in the procedure for selecting directors, especially those related to the gender of the potential candidate. The above, together with the resignations presented at the end of the 2019 fiscal year by several directors, only makes it easier for the composition of the Company's Board to be adjusted, even more, to the trends, best practices and guidelines of good corporate governance.

- C.1.7 Explain the conclusions of the appointments committee on the verification of compliance with the director selection policy. And, specifically, how this policy addresses the objective of female directors accounting for at least 30% of the total number of members of the Board of Directors by 2020.

In 2016, the Appointments and Remuneration Committee set the basic principles and guidelines as the foundations for the director appointment policy and these are included in the proposal of the director Selection Policy that was adopted by the Board of Directors. Such Policy, based on the principles of diversity and balance in the composition of the Company's Board of Directors is expressly focused on encouraging the diversity and integration of knowledge, experience and gender, aiming to achieve at least 30% of female representation on the Board of Directors by 2020.

The members of the ARC issued a positive report on the Company's corporate governance policy, which expressly foresees that the Committee should ensure that the director selection procedure should foster diversity of gender, experience and knowledge, and be free of any implicit bias that may lead to discrimination and, in particular should facilitate the selection of female directors.

As reported, the activity of the ARC has been focused, in particular, on the application of these policies, studying and analysing different candidates, proposing the appointment of a new female director to the General Shareholders' Meeting in 2019, and being approved by the latter in April.

C.1.8 Explain any reasons for which proprietary directors have been appointed at the behest of shareholders accounting for less than 3% of share capital:

Name or company name of the shareholder	Justification
No data	

Provide details of any rejections of formal requests for board representation from shareholders whose shareholding is equal to or greater than that of other shareholders who have successfully requested the appointment of proprietary directors. If so, explain why these requests have not been granted:

- Yes  
 No

C.1.9 Indicate, if any, the powers delegated by the Board of Directors to directors or to Board committees:

Name or company name of the director or committee	Brief description
JUAN LUIS LOPEZ GARCIA	All the powers granted to the Board of Directors, except those that cannot be delegated by Law or the Company Bylaws.

C.1.10 Identify any Board members working as managing directors, representatives of managing directors or executives at other companies that are part of the listed company's group:

Name or company name of the director	Group company name	Position	Has executive duties?
MR JUAN CARLOS URETA DOMINGO	RENTA 4 CORREDORES DE BOLSA S.A.	BOARD MEMBER	NO
MR JUAN CARLOS URETA DOMINGO	RENTA 4 SOCIEDAD AGENTE DE BOLSA S.A.	CHAIRMAN OF THE BOARD	NO
MR JUAN CARLOS URETA DOMINGO	RENTA 4 GLOBAL FIDUCIARIA, S.A.	MEMBER OF THE GOVERNING BOARD	NO
MR JUAN LUIS LOPEZ GARCIA	RENTA 4 GLOBAL FIDUCIARIA, S.A.	MEMBER OF THE GOVERNING BOARD	NO
MR JUAN LUIS LOPEZ GARCIA	RENTA 4 PENSIONES S.G.F.P S.A	DIRECTOR	NO
MR SANTIAGO GONZALEZ ENCISO	RENTA 4 S.V., S.A.	DIRECTOR	NO

Name or company name of the director	Group company name	Position	Has executive duties?
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ	RENTA 4 S.V., S.A.	DIRECTOR	NO
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ	RENTA 4 CORPORATE, S.A.	CHAIRMAN - CEO	YES
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ	KOBUS PARTNERS MANAGEMENT SGEIC, S.A.	DIRECTOR	NO
MR PEDRO FERRERAS DIEZ	RENTA 4 CORPORATE, S.A.	DIRECTOR	NO

C.1.11 Identify any directors, or representatives of directors who are legal entities, at your company who are also members of the Board of Directors, or representatives of directors who are legal entities, in other companies listed on official securities markets other than your group, which have been notified to the company:

Name or company name of the director	Company name of listed company	Position
MR JUAN CARLOS URETA DOMINGO	BME BOLSAS Y MERCADOS ESPAÑOLES	DIRECTOR
MR JUAN CARLOS URETA DOMINGO	SAINT CROIX HOLDING IMMOBILIER SOCIMI SA.	DIRECTOR

C.1.12 Indicate and, explain where appropriate, whether the company has established rules on the maximum amount of company boards the company's directors may sit on, identifying, if any, where these rules are established:

- Yes  
 No

C.1.13 Specify the amounts of the following items regarding the global remuneration of the Board of Directors:

Remuneration accrued by the Board of Directors during the fiscal year (thousands of euros)	1,722
Amount of pension rights accumulated by the current directors (thousands of euros)	4
Amount of pension rights accumulated by the former directors (thousands of euros)	

C.1.14 List any members of the senior management who are not also executive directors and state the total remuneration accrued by them during the year:

Name or company name	Position(s)
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	CHAIRMAN/GENERAL MANAGER OF RENTA 4 S.V., S.A.
Total remuneration of senior executives (thousands of euros)	
183	

C.1.15 Indicate whether any amendments have been made to the Board regulations during the fiscal year:

- [ ] Yes  
[ v ] No

C.1.16 Indicate the procedures for the selection, appointment, re-election and removal of directors. Give details of the competent bodies, the formalities to be fulfilled and the criteria to be used in each of the procedures.

The appointment of the Directors corresponds to the Meeting, without prejudice to the right of proportional representation that corresponds to the shareholders in the terms stipulated in the Spanish Corporate Law. In this sense, if vacancies arise during the period for which the Directors were appointed, the Board may, by means of co-option, appoint the persons who are to occupy them until the first Meeting is held, unless the Meeting has already been called, in which case the Board may appoint a Director until the next Meeting after the one called is held.

The proposals to appoint, ratify or re-elect Directors should refer to people who are known for their integrity, solvency, technical skills and experience and will be approved by the Board upon the proposal made by the ARC for Independent Directors or upon the proposal of the Board, based on the ARC's report, for all other Directors. In any case, the proposal or the report made by the ARC should assign the new Director to one of the director classes foreseen in the Company's Board Regulations. Proposals must be accompanied by a supporting report from the Board that assesses the competence, experience and merits of the proposed candidates, which will be attached to the minutes of the General Meeting or the Board meeting. When the Board diverges from the ARC's proposals, it must provide its reasons for the decision and these must be included in the minutes.

Directors may be either natural or legal persons; in the latter case, it will be necessary for the latter to appoint a natural person to permanently exercise the duties inherent to the position of director. The natural person should meet the legal requirements set for the directors and will be subject to the same duties, and will be jointly and severally liable alongside the legal entity Director. The proposed representative will be subject to the ARC's report. Should the legal person Director revoke its proxy, this will not come into effect unless a substitute has been assigned.

From the moment the call is announced and until the General Meeting takes place, the Company the following minimum details on the persons proposed to be appointed, ratified or re-elected as members of the Board should remain published on the Company's website: identity, curriculum vitae, and director class they belong to, as well as the proposal and reports mentioned above. In the case of a legal person, the information shall include information on the individual to be appointed to permanently act under the title proposed.

Persons who hold representation or management positions or functions in other credit entities or a significant stake in their share capital may not be appointed as directors unless expressly authorised by the Board.

Once a year, the Board will assess (i) its performance and the quality of its work, (ii) the Chairman's and CEO's performance of their roles based on the ARC's report, (iii) the performance and composition of its Committees, based on their reports, (iv) the diversity in the composition and competences of the Board, based on the ARC's report and (v) the performance and contribution made by the Directors, with special focus on the heads of the different Board Committees, based on the reports produced by the Committees. For such purposes, the Chairman will organise and coordinate the assessment of the Board with the Chairmen/Chairwomen of the Committees.

The Directors will remain in office for four years unless the General Meeting agrees to remove them or they resign from the position and they may be re-elected more than once for four-year terms.

The Directors will leave their position when, at the end of the term they were appointed for, the General Meeting is held or the time set to hold the General Meeting that is to agree the previous year's financial statements has passed, or when so agreed by the General Meeting by virtue of the powers granted by Law or the Company Bylaws.

The ARC may propose the removal of independent Directors before the end of the statutory term for which they were appointed, if the ARC deems that there are reasonable grounds to do so. In particular, there will be reasonable grounds for removal when the Director fails to carry out the duties attached to his/her position or when he/she is under whichever circumstances described in Article 9.2.a of the Board Regulations that prevent his/her appointment as independent Director when the Director takes on a new position or new duties that prevent him/her from devoting the necessary time to carry out his/her role as Director.

The removal of directors may also be proposed as a result of public buy-outs, mergers or other similar corporate transactions implying a change in the structure of the Company's capital, where such changes in the Board structure are due to the proportionality criterion in the Board Regulations.

When a Director leaves his/her position before the end of his/her office by resignation or otherwise, he/she must explain the reasons behind such decision in a letter to be sent to all the Board members.



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

**Description of changes**

There have been no changes as the result of the self-assessment was satisfactory.

Describe the assessment procedure and the areas assessed by the Board of Directors with the support, if any, of an external consultant, regarding the performance and composition of the Board and its committees and any other area or aspect that has been assessed.

**Description of the assessment procedure and areas**

The Board of Directors has assessed its composition and competences, the performance and composition of its Committees and the performance of the Chairman, CEO, Independent Lead Director and Secretary of the Company by sending all directors the relevant assessment surveys regarding the Board of Directors, Appointments and Remuneration Committee ("ARC") and the Audit and Control Committee ("ACC"). For the assessment we have counted on the advice of an external expert, Mr Salvador Montejo Velilla.

Once the answers were received, the ARC prepared the related reports assessing the Board of Directors, Chairman, CEO, Independent Lead Director and the Secretary of the Board. In addition, the ARC prepared a report assessing its own composition, competences and performance. The ACC also prepared a report assessing its own composition, competences and performance.

Subsequent to the evaluation, the Board of Directors approved the assessment reports for the Board and its committees, the Chairman, CEO, Independent Lead Director and Secretary, finding that:

- (i) The Board of Directors has an appropriate composition and effectively takes on and exercises the powers and competences granted to it by the Articles of Association and the regulations of the Board of Directors, always acting in the Company's interest and to maximise the Company's economic value;
- (ii) The ARC and the ACC each have an appropriate composition and effectively take on and exercise the powers granted to them by the current regulations and the Company's different corporate texts; and
- (iii) The Chairman, CEO, Independent Lead Director and the Secretary of the Board have effectively and diligently discharged their duties.

C.1.18 Detail, as appropriate, for the years in which the assessment was supported by an external consultant, any business dealings that the consultant or any company in its group have with the Company or any company in its group.

Throughout the 2018 fiscal year and with respect to the previous year 2017, the business relations between the Company and/or any group company and the external consultant/advisor were limited solely and exclusively to advice on assessment matters for the Board, Committees, Chairman, Coordinating Director and Secretary.

C.1.19 Indicate the cases in which the directors must resign.

Pursuant of Article 12.2 of the Board Regulations, "The Directors shall hand in their resignation in the following cases:

- a) At the age of 80.
- b) When they leave the job, position or function linked to their appointment as executive directors.
- c) In the case of proprietary Directors, when the shareholder who proposed the appointment transfers their entire share in the Company or reduces it to an extent that entails the reduction of the number of its proprietary Directors.
- d) When subject to one of the cases of incompatibility or bans foreseen by Law, the Company Bylaws or herein.

e) When the Board so requests it by majority of, at least, two thirds of its members because the Director has breached his/her duties, with a prior proposal or report by the Appointments and Remuneration Committee, or if remaining in his/her office would entail a threat to the Company's credit or reputation.

f) When the Director has received a serious caution from the Audit and Control Committee.

g) At the end, for whichever reasonable grounds, of the contractual or organic relationship with the Company's shareholder that had given rise to the Director's appointment."

Notwithstanding the foregoing, Section 3 foresees that "Should a natural person representing a legal person Director be the object of the cases foreseen in section 2 above, he/she will be promptly replaced by the legal person Director".

C.1.20 Are qualified majorities other than those prescribed by law required for any type of decision?

- Yes  
 No

If applicable, describe the differences.

C.1.21 State whether there are any specific requirements, apart from those relating to the directors, to be appointed Chairman of the Board of Directors:

- Yes  
 No

C.1.22 Indicate whether the Bylaws or the board regulations set any age limit for directors:

- Yes  
 No

	Age limit
Chairman	80
CEO	80
Director	80

C.1.23 Indicate whether the Bylaws or the Board regulations set a limited term of office or other stricter requirements for independent directors other than those established by the regulations:

- Yes  
 No

C.1.24 Indicate whether the Bylaws or Board regulations stipulate specific rules to delegate votes on the Board of Directors to other directors, the procedures thereof and, in particular, the maximum number of proxy votes a director may hold. Also indicate whether there is any limit as to the categories in which it is possible to delegate votes, beyond the limits provided in Law. If so, give brief details.

Proxy voting is described in Article 38.2 of the Company Articles of Association whereby "[...] all Directors may be represented by another Director. Proxy will be granted expressly for the relevant meeting of the Board of Directors and may be notified by whichever means foreseen in section 2 in the article above. Non-executive directors may only be represented by another non-executive director.

As regards the means by which proxies must be communicated, Article 37.2 of the Articles of Association states that "The meetings of the Board of Directors will be called by letter, fax, telegram, e-mail or any other means and will be authorised with the signature of the Chairman or the Secretary or Vice Secretary by order of the Chairman. The meeting will be called in due time to ensure that the Directors receive it at least three days before the meeting date save for emergency meetings that may be called to be held immediately. This will not apply to those cases where the Regulations of the Board of Directors require a specific time to call a meeting. The call must always include, unless reasonably justified, the Agenda for the meeting and will attach, where appropriate, any information deemed necessary," including the procedure to appoint a proxy, that will be in writing and specifically for each meeting.

C.1.25 Indicate the number of board meetings held during the fiscal year. Also state, if applicable, the number of occasions on which the Board met without its Chairman in attendance. Attendance shall also include proxies appointed with specific instructions.

Number of board meetings	13
Number of Board meetings without Chairman's attendance	0

Indicate the number of meetings held by the Independent Lead Director with the other directors without the attendance, in person or by proxy, of an executive Director:

Number of meetings	5
--------------------	---

Indicate the number of meetings of the various board committees held during the year:

Number of meetings of the AUDIT AND CONTROL COMMITTEE	9
Number of meetings of the APPOINTMENTS AND REMUNERATION COMMITTEE	8

C.1.26 Indicate the number of meetings held by the Board of Directors during the fiscal year and the attendance data of its members:

Number of meetings where at least 80% of directors attended in person	13
% of attendance in person out of the total votes during the fiscal year	100.00
Number of meetings where all the directors attended in person or by proxy with precise instructions	13
% of votes cast with attendance in person, or by proxy with precise instructions, out of the total votes during the fiscal year	100.00

C.1.27 Indicate whether the consolidated and individual annual financial statements submitted to the Board for their preparation are certified beforehand:

- Yes  
 No

Identify, where applicable, the person(s) who certified the Company's individual and consolidated annual financial statements to be prepared by the Board:

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to prevent qualified auditors' reports on the separate and consolidated financial statements prepared by it from being submitted at the General Meeting.

The Audit and Control Committee analyses the quarterly, half-yearly and yearly financial statements and has regular meetings with the External Auditor reviewing, where necessary, any changes in the accountancy criteria that would affect the financial statements, ensuring that there are no qualifications by the Auditor and that the Board of Directors prepares the statements without qualifications. In compliance with Article 31 of the Regulations of the Board of Directors, the Audit and Control Committee is in charge of reviewing the Company's financial statements, enforcing compliance with legal requirements and correctly applying the standard accountancy principles, as well as providing information on the proposals made by the management to change accounting principles and criteria.

C.1.29 Is the secretary to the board a director?

- Yes  
 No

If the secretary is not a director complete the following table:

Name or company name of the secretary	Representative
MR PEDRO ALBERTO RAMON Y CAJAL AGÜERAS	

C.1.30 Indicate the specific methods established by the company to protect the independence of the external auditors, as well as the methods, if any, employed to protect the independence of the financial analysis, of investment banks and of credit rating agencies, including how the legal provisions have been effectively implemented.

In accordance with Article 31.3.b) of the Board Regulations, the Audit and Control Committee is the body in charge of ensuring the External Auditors' independence by establishing, inter alia, the duty, as regards the external auditor, to:

- (i) Present before the Board of Directors, to then be put forward to the General Meeting of Shareholders, the proposals to select, appoint, re-elect or replace the external auditor, as well as the terms of his/her contract, the scope of the auditor's professional office and the revocation or renewal of his/her appointment;
- (ii) Regularly gather information from the external auditor about the audit plan and protect his/her independence -ensuring that the compensation given to the external auditor for his/her work does not compromise the quality of his/her work or his/her independence- and about matters that may threaten his/her independence and the results of the audit, to be examined by the Committee, and any other information related to the accounts audit. It should also receive information and exchange communications with the external auditor as foreseen by the laws on accounts audits and the auditing regulations, and it should check that the senior management takes into account the auditor's suggestions;
- (iii) Once a year, the Committee must receive from the external auditors the declaration of their independence in relation to the Company or companies directly or indirectly related to it, and information concerning additional services of any kind that have been provided and the fees received by the external auditor or by persons or companies related to it, in accordance with the provisions of the audit legislation and, for such purposes, ensure that the Company reports any changes of auditor as a regulatory announcement to the CNMV alongside a statement on the possible existence of disagreements with the outgoing auditor and, if any, with the contents. Should the external auditor resign, the Committee will examine the circumstances surrounding this decision;
- (iv) Every year issue, prior to the issue of the auditors' report, a report expressing an opinion on the independence of the auditors.

Such report should always include the assessment of the provision of the additional services referred to above, considered separately or jointly, other than the legal audit and connected to the independence system or with the audit regulations, ensuring that the Company and the external auditor observe the current regulations on providing non-audit services, the limits on the auditor's business concentration and, in general all other rules on auditor independence;

(v) Encourage the Company's auditor to take on the auditing of the companies that, if any, make up the group; and

(vi) Ensure that the external auditor annually holds a meeting with the full Board of Directors to report on the work done and the evolution of the Company's accounting and risk situation.

In practice, in 2019, the ACC has performed all the duties foreseen and with the diligence required to keep the external auditor's independence.

C.1.31 Indicate whether the company changed its external auditors during the fiscal year. Where appropriate, identify the incoming and outgoing auditors:

- Yes  
 No  
 No

Explain any disagreements with the outgoing auditor and the reasons for the same:

- Yes  
 No

C.1.32 Indicate whether the audit firm performs other non-audit work for the company and/or its group, and if so, state the amount of fees received for such work and the percentage they represent of the fees billed to the company and/or its group:

- Yes  
 No

	Company	Group companies	Total
Amount of non-audit work (thousands of euros)	44	9	53
Amount of non-audit work/Amount of audit work (as a %)	36.97	10.00	25.36

C.1.33 Indicate whether the audit report for the annual financial statements of the previous fiscal year included any reservations or qualifications. Indicate the reasons given by the Chairman of the audit committee to the shareholders of the General Meeting to explain the contents and scope of the reservations or qualifications.

- Yes  
 No

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

	Individual	Consolidated
Number of consecutive years	3	3

	Individual	Consolidated
Number of years audited by the current audit firm/number of years the company or its group has been audited (as a %)	32.13	32.13

C.1.35 Indicate whether there is a procedure for the directors to be able to receive the necessary information to prepare for meetings of the management bodies sufficiently in advance, and if so, give details:

Yes  
 No

#### Detail of the procedure

The Directors' right to information regarding the meetings of the Board of Directors is provided for in Article 22 of the Board Regulations. Directors have the duty to request and the right to obtain from the Company any information they need to fulfil their Board responsibilities. In this respect, Directors may obtain information on any aspect of the Company and its subsidiaries and may examine their books, records, documents and any other records of corporate operations and inspect all their facilities. They may also communicate with the Company's senior officers. Likewise, Directors are entitled to receive regular information on the movements in the shareholding and on the opinions that significant shareholders, investors and rating agencies have of the Company and its group.

So as to not disturb the Company's ordinary management, all rights to information will be exercised through the Chairman of the Board of Directors who will address the Directors' requests and will provide them with the information directly or with suitable contacts at the relevant company level.

The Chairman, in collaboration with the Secretary, will ensure that the Directors have all the information required sufficiently in advance to deliberate and adopt resolutions for the matters on the agenda.

Based on Article 28 of the Company Bylaws, the call for the Board of Directors meeting will attach all information required for such meeting.

C.1.36 Indicate and, where appropriate, give details of whether the company has established rules obliging directors to report and, where applicable, resign in any circumstances that might jeopardise the company's credit or reputation:

Yes  
 No

#### Explain

As described in the Board Regulations, in Article 12, "1. Directors shall resign when the term for which they were appointed expires, when the Shareholders' General Meeting has been held or when the term for holding the General Meeting that is to decide on the approval of the previous year's financial statements has elapsed, or when the General Meeting so decides in the exercise of the powers legally and by virtue of the Articles of Association conferred on it", and shall hand in their resignation: "a) When they reach 80 years of age. b) When they cease to hold the positions, responsibilities or functions with which their appointment as executive directors was associated. c) In the case of proprietary directors, when the shareholder at whose request they were appointed transfers their entire shareholding in the Company or reduces it to a level that requires a reduction in the number of its proprietary directors. d) When they are affected by any of the cases of incompatibility or prohibition provided for by law, the Articles of Association or these regulations. e) When the Board itself. e) When the Board itself so requests by a majority of at least two thirds of its members, for having infringed their obligations as a director, following a proposal or report by the Appointments and Remuneration Committee, or when their remaining on the Board may put the credit and reputation of the Company at risk. f) When they have been seriously reprimanded by the Audit and Control Committee. g) When they have terminated the contractual or organic relationship for any other just cause with any of the Company's shareholders that led to their appointment as a director".

"Of the legal, administrative or any other type of proceedings that are initiated against the Director and that, due to their importance or characteristics, could seriously affect the reputation of the Company. In particular, all Directors must inform the Company, through its Chairman, if they are accused or prosecuted or if the decision to open an oral trial is taken for any of the offences indicated in Article 213 of the revised text of the Spanish Corporate Law.

In this case, the Board will examine the case as soon as possible and take the decisions it considers most appropriate in the interest of the Company".

C.1.37 Indicate whether any of the members of the Board of Directors have informed the company of any indictments or the commencement of oral proceedings against him/her for any of the offences specified in Article 213 of the Spanish Limited Liability Companies Law:

Yes  
 No

C.1.38 Detail any significant agreements entered into by the company which will come into force, are amended or terminated in the event of a change of control of the company following a takeover bid and the effects thereof.

None.

C.1.39 Identify, separately when referring to directors and aggregated when referring to all other cases and provide detailed information on agreements between the company and its officers, executives and employees that provide for indemnities or guarantee or golden parachute clauses when they resign or are wrongfully dismissed or if the contractual relationship ends due to a takeover or another kind of transaction.

Number of beneficiaries	5
Type of beneficiary	Description of the agreement
Chairman (Mr. Juan Carlos Ureta Domingo), CEO (Mr. Juan Luis López García), the Director and General Manager (Mr. Jesús Sánchez-Quiñones Gonzalez), Regional Director (Mr. Santiago Gonzalez Enciso); Member of the Management Committee, Chairman of Renta 4 Gestora SGIIC SA and Renta 4 Pensiones EGFP SA (Mr. Antonio Fernández Vera)	In the event their dismissal is declared to be unfair, the Chairman, the CEO, the Director and General Manager and the Territory Manager would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment laws. On the other hand, the member of the Management Committee, Chairman of Renta 4 Gestora SGIIC and Renta 4 Pensiones EGFP, S.A, is entitled to, in the event of their dismissal is declared to be unfair, to compensation equivalent to the compensation provided for unfair dismissal under the ordinary employment laws.

Indicate whether, beyond the assumptions foreseen by the regulations, these agreements must be reported to and/or authorised by the governing bodies of the company or its group. If this is the case, specify the procedures, assumptions foreseen and nature of the bodies in charge of their approval or their communication:

	Board of Directors	General Meeting
Body which authorises the clauses	√	
	Yes	No
Is the General Meeting informed of the clauses?		√

**C.2. Board Committees**

C.2.1 Give details of all board committees, their members and the proportion of executive, proprietary, independent and other external directors that form them:

AUDIT AND CONTROL COMMITTEE		
Name	Position	Category
MR JOSE RAMON RUBIO LAPORTA	CHAIRMAN	Independent
FUNDACION OBRA SOCIAL DE LA ABOGACIA ESPAÑOLA	MEMBER	Proprietary
MRS SARAH MARIE HARMON	MEMBER	Independent

% of executive directors	0.00
% of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0.00

Explain the functions, including any added functions that are not legally foreseen, if any, conferred to this Committee and describe the procedures and rules of its organisation and operation. For each of these functions, indicate the more relevant actions during the fiscal year and how it effectively carried out each of the functions conferred to it by Law or Bylaws or other corporate agreements.

A. Composition. It is composed of at least 3 Directors who will be appointed by the Board of Directors at the proposal of its Chairman, chosen from among its non-executive members, and at least two of them should be independent. The Committee will appoint, from among its members, the Chairman, who will always be an Independent Director and will be replaced every 4 years, without prejudice to his/her continuity or re-election as a member of the Committee. Furthermore, the Committee will appoint its Secretary and, where appropriate, a Vice President. Likewise, all members of the Audit and Control Committee should have the necessary knowledge, professional experience and devotion to carry out the functions they are entrusted with.

B. Competences. The Committee's functions are set forth in Article 42 of the Company Bylaws and Article 31 of the Board Regulations.

C. Workings. The Committee will meet at least once every quarter and, in any case, every time it is called by its Chairman or at the request of the Chairman of the Board of Directors. The conclusions drawn from each meeting will be included in the minutes that will be reported at the Board meeting. Any members of the management team, Company employees or auditors requested to do so will be obliged to attend the Committee meetings and to collaborate and provide the information they have.

In 2019, the ACC carried out the following functions inter alia:

- Acted as a communication channel between the Board and the external auditor, assessing the results of each audit.
- Authorised KPMG Abogados, S.L. to provide professional consultancy services in preparing and filing the 1042-S forms for 2018.
- Issued, prior to the auditors' report, a report on whether the independence of the auditors or audit firms was jeopardised.
- Approve the Internal Audit Action Plan.
- Supervised the effectiveness of the Company's internal control, internal audit and risk management systems, and discussed with the auditor any significant weaknesses detected in the internal control system.
- Monitored compliance with the rules of the internal codes of conduct and its corporate social responsibility policy.



- Approved, to then be presented before the Board, the Self-Assessment Report on the Risk of Money Laundering; the best practices policy; the Guide on the Filing Procedures of Collective Investment Undertakings; and the reports on the monitoring of the recovery plan and conflicts of interest.
- Oversaw the reporting and submission of regulatory financial information, in particular the separate and consolidated financial statements.
- Reported on the annual corporate governance report.
- Evaluated its own performance within the framework of the self-assessment of the performance of the Board of Directors and its internal Committees.

Identify the directors who are members of the audit committee appointed with regard to his or her knowledge and experience in accounting, auditing or both, and indicate the date when the Chairman of the committee was appointed as such.

Names of directors with experience	MR JOSE RAMON RUBIO LAPORTA
Date the Chairman was appointed as such	23/02/2017

APPOINTMENTS AND REMUNERATION COMMITTEE		
Name	Position	Category
MRS SARAH MARIE HARMON	CHAIRMAN	Independent
MRS INES JUSTE BELLOSILLO	MEMBER	Independent
MR PEDRO ANGEL NAVARRO MARTINEZ	MEMBER	Other External

% of executive directors	0.00
% of proprietary directors	0.00
% of independent directors	66.67
% of other external directors	33.33

Explain the functions, including any added functions that are not legally foreseen, if any, conferred to this Committee and describe the procedures and rules of its organisation and operation. For each of these functions, indicate the more relevant actions during the fiscal year and how it effectively carried out each of the functions conferred to it by Law or Bylaws or other corporate agreements.

- A. Composition. It is made up of at least 3 members who should all be non-executive Directors -at least a third of them should be independent Directors- who will leave their position once they stop being Directors or when agreed by the Board of Directors. The Board of Directors will appoint its Chairman from among its members, always an independent Director, and its Secretary.
- B. Competences. The Committee's functions are set forth in Article 32 of the Regulations of the Board of Directors.
- C. Workings. The Committee will meet as frequently as necessary to carry out its functions. It should also meet when called by its Chairman, the Chairman of the Board of Directors and at least once every quarter. The Appointments and Remuneration Committee will be validly called to order when the majority of its members is present. The Committee will have access to all the information and documentation required to perform its duties. The conclusions drawn in each meeting will be registered in the minutes ledger that will be signed by the Chairman and the Secretary.

In 2019, the ARC carried out the following duties, inter alia:

- Ensured that the remuneration policy established by the Company was observed.

- Directed the process of evaluating its own performance, the performance of the board and the discharge of duties by the chairman, secretary, lead independent director and CEO, and reported to the board on the findings reached.
- Proposed the 2019 Remuneration Policy to the Board.
- Proposed the contents of the Annual Report on Directors' Remuneration to the Board.
- Proposed to the Board the re-election of Mr. José Ramón Rubio Laporta.
- Reported favourably to the Board and proposed the appointment of Mrs. Gemma Aznar Cornejo as the new independent director of the Company.

C.2.2 Fill in the following table with the information on the number of female directors sitting on the Board Committees at the end of the last four years:

	Number of female board members							
	2019		2018		2017		2016	
	Number	%	Number	%	Number	%	Number	%
AUDIT AND CONTROL COMMITTEE	1	33.33	0	0.00	0	0.00	0	0.00
APPOINTMENTS AND REMUNERATION COMMITTEE	2	66.67	1	33.33	1	33.33	1	33.33

C.2.3 Indicate, where applicable, the existence of regulations governing the Board Committees, where they can be accessed, and any amendments thereto during the fiscal year. Also state whether any voluntary annual reports have been produced on the activities of each committee.

#### APPOINTMENTS AND REMUNERATION COMMITTEE

The ARC is governed by Article 42 bis in the Company Bylaws and by Article 32 of the Board Regulations. Both corporate texts are available on the Company's website.

The Board of Directors, pursuant to its duty as per Article 28 of the Board Regulations that includes Recommendation 36 of the Code of Good Governance of Listed companies of February 2015 passed by the Board of the Spanish Securities Market Commission (CNMV), assesses once a year (i) its own performance and the quality of its work, (ii) the Board Chairman's and Company CEO's performance of their roles based on the ARC's report, (iii) the performance and composition of its Committees, based on their reports, (iv) the diversity in the composition and competences of the Board of Directors, based on the ARC's report and (v) the performance and contribution made by the Directors, with special focus on the heads of the different Board Committees, based on the reports produced by the Audit and Control Committee and the Appointments and Remuneration Committee in each case.

In this respect, each Board Committee has prepared a report on its own performance to help the Board assess their performance during the year.

#### AUDIT AND CONTROL COMMITTEE

The Audit and Control Committee is governed by Article 42 in the Company Bylaws and by Article 31 of the Board Regulations. Both corporate texts are available on the Company's website.

The Board of Directors, pursuant to its duty as per Article 28 of the Board Regulations that includes Recommendation 36 of the Code of Good Governance of Listed companies of February 2015 passed by the Board of the Spanish Securities Market Commission (CNMV), assesses once a year (i) its own performance and the quality of its work, (ii) the Board Chairman's and Company CEO's performance of their roles based on the ARC's report, (iii) the performance and composition of its Committees, based on their reports, (iv) the diversity in the composition and competences of the Board of Directors, based on the ARC's report and (v) the performance and contribution made by the Directors, with special focus on the heads of the different Board Committees, based on the reports produced by the Audit and Control Committee and the Appointments and Remuneration Committee in each case.



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In this respect, each Board Committee has prepared a report on its own performance to help the Board assess their performance during the year. Both reports are made available, together with all the documentation relating to the General Meeting, on the Company's corporate website.

In this regard, the Committee has prepared a yearly report on its activities in compliance with the aforementioned provisions.

**D. RELATED-PARTY TRANSACTIONS AND INTRACOMPANY TRANSACTIONS**

**D.1. Explain, where appropriate, the procedure and competent bodies for the approval of related-party transactions and intracompany transactions.**

Pursuant to Article 5 in the Board Regulations, the Board of Directors will be in charge of “adopting agreements on all kinds of matters that are not assigned to the General Meeting by Law or the Company Bylaws, and will have full powers to manage, run and represent the Company in court or otherwise. Notwithstanding this, the Board will fundamentally focus its activity on the supervision and control of the Company’s running and ordinary management entrusted to the executive Directors and senior management, and will consider any matters that are especially relevant to the Company or that are necessary for the appropriate performance of the aforementioned general supervisory function.”

“2. In any case, the following matters that may not be delegated will be reserved to the Board of Directors meeting: [...] t) The approval, with a prior positive report from the Audit and Control Committee, of the operations that the Company may run with Directors, under the Spanish Limited Liability Companies Law, or with Shareholders who own, individually or jointly with others, a significant stake, including shareholders represented on the Company’s Board of Directors or with persons related to them. The Directors affected or representing or related to the affected shareholders should refrain from taking part in the deliberation and vote of the resolution in question. Only the operations that meet all three of the following characteristics will be excluded: i) carried out by virtue of contracts whose conditions are standardised and are applied in mass to a large number of clients; ii) carried out at prices or rates set on a general basis by the supplier of the good or service in question; and iii) when their value does not exceed one percent (1%) of the Company’s yearly revenue.

[...]

3. The competences mentioned in the section above may be carried out, in an emergency, by the Executive Committee or, if appropriate, by the CEO, to the extent permitted by Law, to then be ratified at the Board meeting.

4. The Board of Directors will develop its functions with a common purpose and independent judgement, providing the same treatment to all shareholders who are in the same position, in the Company’s interest, which will not prevent the consideration of all other legal, public or private interests, that converge in the course of all business operations, and especially the interests of the employees. In this context, it will be understood as a corporate interest, as the achievement of a profitable and sustainable business in the long run that will promote its continuity and maximise the Company’s financial value.”

**D.2. State any operations which are significant in terms of their value or relevant due to their contents, carried out between the company or companies in its group, and significant shareholders of the company:**

Name or company name of the significant shareholder	Name or company name of the company or company in its group	Type of relationship	Type of operation	Amount (thousands of euros)
MUTUALIDAD GENERAL DE LA ABOGACIA	MUTUALIDAD GENERAL DE LA ABOGACÍA	Corporate	Services provided	13
MUTUALIDAD GENERAL DE LA ABOGACIA	MUTUALIDAD GENERAL DE LA ABOGACÍA	Corporate	Services received	5
CONTRATAS Y SERVICIOS EXTREMEÑOS, S.A.	CONTRATAS Y SERVICIOS EXTREMEÑOS S.A.	Corporate	Services provided	8
INDUMENTA PUERI S.L.	INDUMENTA PUERI S.L.	Contractual	Services provided	12

Name or company name of the significant shareholder	Name or company name of the company or company in its group	Type of relationship	Type of operation	Amount (thousands of euros)
CONTRATAS Y SERVICIOS EXTREMEÑOS, S.A.	CONTRATAS Y SERVICIOS EXTREMEÑOS S.A.	Corporate	Others	262
CONTRATAS Y SERVICIOS EXTREMEÑOS, S.A.	CONTRATAS Y SERVICIOS EXTREMEÑOS S.A.	Corporate	Dividends and other distributed profits	573
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	RENTA 4 SV SA	Contractual	Guarantees and bonds	405
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	RENTA 4 SV SA	Contractual	Others	22
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	RENTA 4 BANCO S.A.	Contractual	Others	271
GLOBAL PORTFOLIO INVESTMENTS SL	INDUMENTA PUERI S.L.	Corporate	Others	650
GLOBAL PORTFOLIO INVESTMENTS SL	INDUMENTA PUERI S.L.	Corporate	Dividends and other distributed profits	637
MR SANTIAGO GONZALEZ ENCISO	RENTA 4 BANCO S.A.	Contractual	Guarantees and bonds	1,567
MR SANTIAGO GONZALEZ ENCISO	RENTA 4 BANCO S.A.	Contractual	Others	775
INDUMENTA PUERI S.L.	INDUMENTA PUERI S.L.	Corporate	Others	5
MUTUALIDAD GENERAL DE LA ABOGACIA	MUTUALIDAD GENERAL DE LA ABOGACÍA	Corporate	Others	191
MUTUALIDAD GENERAL DE LA ABOGACIA	MUTUALIDAD GENERAL DE LA ABOGACÍA	Corporate	Dividends and other distributed profits	784

D.3. State any operations that are significant in terms of their value or relevant due to their contents, carried out between the company or companies in its group, and company directors or executives:

Name or company name of the directors or managers	Name or company name of the related party	Link	Type of transaction	Amount (thousands of euros)
MR SANTIAGO GONZALEZ ENCISO	RENTA 4 BANCO S.A.	CONTRACTUAL	Services provided	2
MR JUAN LUIS LOPEZ GARCIA	RENTA 4 BANCO S.A.	CONTRACTUAL	Services provided	2
MR PEDRO ANGEL NAVARRO MARTINEZ	RENTA 4 BANCO S.A.	CONTRACTUAL	Services provided	2
MR JOSE RAMON RUBIO LAPORTA	RENTA 4 BANCO S.A.	CONTRACTUAL	Services provided	14
MR JUAN CARLOS URETA DOMINGO	RENTA 4 BANCO S.A.	CONTRACTUAL	Services provided	34
MR JUAN CARLOS URETA DOMINGO	RENTA 4 BANCO S.A.	CONTRACTUAL	Interests paid	2
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	RENTA 4 BANCO S.A.	CONTRACTUAL	Interests paid	2
MR PEDRO ANGEL NAVARRO MARTINEZ	RENTA 4 BANCO S.A.	CONTRACTUAL	Interests paid	10
MR SANTIAGO GONZALEZ ENCISO	RENTA 4 BANCO S.A.	CONTRACTUAL	Interests paid	12
MR EDUARDO CHACON LOPEZ	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	1
MR PEDRO FERRERAS DIEZ	RENTA 4 BANCO S.A.	CONTRACTUAL	Others	2
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	RENTA 4 SV SA	CONTRACTUAL	Financing agreements: loans	22
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	RENTA 4 BANCO S.A.	CONTRACTUAL	Others	16

Name or company name of the directors or managers	Name or company name of the related party	Link	Type of transaction	Amount (thousands of euros)
MR SANTIAGO GONZALEZ ENCISO	RENTA 4 BANCO S.A.	CONTRACTUAL	Financing agreements: loans	639
MRS INES JUSTE BELLOSILLO	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	1
MR JESÚS SANCHEZ-QUIÑONES GONZALEZ	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	84
MR JOSE RAMON RUBIO LAPORTA	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	105
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	4
MR JUAN CARLOS URETA DOMINGO	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	3,556
MR JUAN LUIS LOPEZ GARCIA	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	22
MRS INES JUSTE BELLOSILLO	RENTA 4 BANCO S.A.	CONTRACTUAL	Others	3
MR JUAN LUIS LOPEZ GARCIA	RENTA 4 BANCO S.A.	CONTRACTUAL	Others	79
MR PEDRO FERRERAS DIEZ	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	24
MR PEDRO ANGEL NAVARRO MARTINEZ	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	46
MR JOSE RAMON RUBIO LAPORTA	RENTA 4 BANCO S.A.	CONTRACTUAL	Others	1
MR JESÚS SANCHEZ-QUIÑONES GONZALEZ	RENTA 4 BANCO S.A.	CONTRACTUAL	Others	2

Name or company name of the directors or managers	Name or company name of the related party	Link	Type of transaction	Amount (thousands of euros)
MR SANTIAGO GONZALEZ ENCISO	RENTA 4 BANCO S.A.	CORPORATE	Dividends and other distributed profits	158
MR JUAN CARLOS URETA DOMINGO	RENTA 4 BANCO S.A.	CONTRACTUAL	Others	1,835
MRS GEMMA AZNAR CORNEJO	RENTA 4 BANCO S.A.	CONTRACTUAL	Others	5
MR JOSÉ IGNACIO GARCÍA-JUNCEDA FERNÁNDEZ	RENTA 4 BANCO S.A.	CONTRACTUAL	Financing agreements: loans	271

- D.4. Indicate any significant operations carried out by the Company with other companies in the same group, provided that they are not eliminated when reporting the consolidated financial statements and are not part of the Company's usual business in terms of purpose and conditions.

In any case, all intracompany operations with companies established in countries or jurisdictions considered as a safe haven must be reported:

Corporate name of the company in the group	Brief description of the transaction	Amount (thousands of euros)
No data		N.A.

- D.5. Detail any significant operations carried out between the company or group companies and with other related parties that have not been reported in the previous sections:

Company name of the related party	Brief description of the transaction	Amount (thousands of euros)
MATILDE FERNANDEZ DE MIGUEL	INTERESTS PAID	1
MATILDE FERNANDEZ DE MIGUEL	FINANCING AGREEMENTS: LOANS	51



Company name of the related party	Brief description of the transaction	Amount (thousands of euros)
MATILDE FERNANDEZ DE MIGUEL	GUARANTEES AND BONDS	388
MATILDE FERNANDEZ DE MIGUEL	OBLIGATIONS UNDERTAKEN	175
MATILDE FERNANDEZ DE MIGUEL	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	101
SANTIAGO GONZALEZ-ENCISO FERNANDEZ	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	8
MARIA GONZALEZ-ENCISO FERNANDEZ	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	8
CRISTINA GONZALEZ-ENCISO FERNANDEZ	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	8
IGNACIO GONZALEZ-ENCISO FERNANDEZ	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	8
MATILDE GONZALEZ-ENCISO FERNANDEZ	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	8
MATILDE ESTADES SECO	OTHERS	23
MATILDE ESTADES SECO	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	277
MATILDE URETA ESTADES	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	1
MATILDE URETA ESTADES	OTHERS	1
JUAN CARLOS URETA ESTADES	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	3
INÉS ASUNCIÓN URETA ESTADES	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	1

Company name of the related party	Brief description of the transaction	Amount (thousands of euros)
INÉS ASUNCIÓN URETA ESTADES	OTHERS	1
SURIKOMI S.A.	SERVICES PROVIDED	18
SURIKOMI S.A.	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	592
SURIKOMI S.A.	OTHERS	1,062
CARTERA DE DIRECTIVOS 2011 S.A.	INTERESTS PAID	5
CARTERA DE DIRECTIVOS 2011 S.A.	SERVICES PROVIDED	53
CARTERA DE DIRECTIVOS 2011 S.A.	OTHERS	414
QUALIFIED INVESTOR SICAV	INTERESTS PAID	2
QUALIFIED INVESTOR SICAV	SERVICES PROVIDED	64
QUALIFIED INVESTOR SICAV	OTHERS	469
KOBUS PARTNERS MANAGEMENT SGEIC, S.A	OTHERS	18
INVERCYSEX, S.L.	INTERESTS PAID	8
INVERCYSEX, S.L.	SERVICES PROVIDED	25
INVERCYSEX, S.L.	OTHERS	280
I.G.E.6, S.L.	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	73
KURSAAL 2000, S.L.	INTERESTS PAID	1
KURSAAL 2000, S.L.	SERVICES PROVIDED	37
KURSAAL 2000, S.L.	OTHERS	27
KURSAAL 2000, S.L.	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	11
AVILUGAM SL	INTERESTS PAID	18
AVILUGAM SL	SERVICES PROVIDED	140
AVILUGAM SL	OTHERS	2,041

Company name of the related party	Brief description of the transaction	Amount (thousands of euros)
AVILUGAM SL	FINANCING AGREEMENTS: LOANS	1,272
AVILUGAM SL	GUARANTEES AND BONDS	2,499
AVILUGAM SL	OBLIGATIONS UNDERTAKEN	1,500
SDAD. VASCO MADRILEÑA DE INVERSIONES S.L.	SERVICES PROVIDED	165
SDAD. VASCO MADRILEÑA DE INVERSIONES S.L.	INTERESTS PAID	19
SDAD. VASCO MADRILEÑA DE INVERSIONES S.L.	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	666
SDAD. VASCO MADRILEÑA DE INVERSIONES S.L.	OTHERS	1,959
FUNDACION GONZALEZ ENCISO	DIVIDENDS AND OTHER DISTRIBUTED PROFITS	127

**D.6. State the methods established to detect, determine and resolve any conflicts of interest between the company and/or the group, directors, executives or significant shareholders.**

The Board Regulations establishes in Article 17 that there is a conflict of interest in situations where the Company's or its Group's interest clashes, directly or indirectly, with the Director's personal interest, when the matter affects him/her or a person related to him/her.

The following are persons related to the individual Director: a) spouse or persons with a marriage-like relationship; b) the ancestors, descendants and siblings of the director or his/her spouse (or person with a marriage-like relationship); c) Spouses of the ancestors, descendants or siblings; d) Companies in which, itself or through a third party, fall into one of the situations described in Article 42.1 of the Spanish Commercial Code.

In connection to a legal entity Director: a) partners who fall, with regard to the legal entity Director, into one of the situations described in Article 42.1 of the Spanish Commercial Code; b) companies in the same group and their partners; c) individual representative, directors, in law or in fact, liquidators and general proxies of the legal entity Director; d) persons who, in connection with the Director, are considered related persons in accordance with the aforementioned paragraphs a) and d).

Situations of conflict of interest will be governed by the following rules: a) Disclosure: the Director will inform all other Directors and, if appropriate, the Board, through the Chairman or the Secretary, of any conflict of interest pertaining the Director or his/her related persons; b) Abstention: the Director may not carry out any professional or commercial transactions, whether directly or indirectly, with the Company unless he/she has first disclosed the conflict of interest and the Board has approved the transaction. The Director will refrain from attending and taking part in the deliberation and vote for such matters. Regarding proprietary Directors, these must refrain from taking part in the vote for matters that could entail a conflict of interest between the shareholders they represent and the Company; c) Transparency: Disclose in the annual report and in the Annual Corporate Governance Report of any conflicts of interest.

The Internal Conduct Regulations (ICR) governs conflicts of interest in Articles 21, 22 and 23. In this regard, there will be a conflict of interest between the Company and one of its clients or between two of the Company's clients when, in a given situation, the Company may gain a benefit, provided that there is also a potential correlative damage to the client, or when the client could gain a profit or avoid a loss and there is the chance that another client will suffer a loss as a result.

In order to identify these situations, attention will be paid to whether the Company, a person subject to the IRC ("Subject") or another person directly or indirectly related to them through a control relationship, falls in any of the following cases: a) The Company or the person in question can obtain a financial benefit, or avoid a financial loss, at the client's expense; b) Has an interest in the result of the service provided or the operation carried out on behalf of the client, other than the interest of the client itself;

c) Has financial incentives, or of any kind, to favour the interests of third-parties before those of the client in question; d) Their professional activity is identical to that of the client; (e) Receives, or is going to receive, from a third party an incentive in relation to the service provided to the client, in cash, goods or services, other than the usual commission or fee for the service in question.

The Company may determine other conflicts of interest in which the Persons subject to ICR may be involved on account of family, financial, professional or other links. All employees and Persons subject to ICR should inform the Company, through the Body monitoring compliance with the ICR, of any personal, family, financial or other situation that may entail a conflict of interest between such person and a Company's client or the Company itself.

There will be a conflict of interest when the Person subject to ICR, or a person or entity who is a relative or is closely related to such person, falls into one of the following cases: a) Is a member of the Board of Directors or senior management of a company whose business purpose is the same as the Company's; b) Significant stake in companies whose business purpose is the same as the Company's; c) Significant stake or another type of personal interest in a client of the Company.

Persons subject to ICR will refrain from taking part in preparations and in the decision or vote, and will inform the people who will be taking the relevant decision. Furthermore, they will inform portfolio management clients of any conflicts that may arise in the course of their activity. When in doubt on the existence of a conflict of interests, Persons subject to ICR are required to inform about this to the Body in charge of ensuring compliance with the ICR, as well as the specific circumstances of the operation to allow the Body to determine the appropriate steps.

The resolution of conflicts shall always be carried out under the following principles: 1. The legitimate interests of clients shall in all cases be the priority to consider, without prejudice to the due respect for the integrity of the market. Efforts shall be made to minimise conflicts between clients and between the Company and its clients. 3. The interests of the Company shall not take precedence over those of the clients in transactions with identical characteristics. 4. No client should be privileged when there is a conflict between several clients. 5. They will not multiply transactions unnecessarily and without benefit to the client.

**D.7. Is there one or more companies within the Group listed in Spain?**

- Yes  
 No

## **E. RISK MANAGEMENT AND CONTROL SYSTEMS**

### **E.1. Describe the Risk Management and Control System in place at the company, including tax risks:**

The different risks involved in the operations conducted by the Renta 4 Group are managed under the principle of prudence to preserve its solvency level, profitability, efficiency and appropriate liquidity. Renta 4 Group has an ongoing management and control system for the risks taken in its business, expanding to all the companies in the Group, as well as all the areas or business units, with special focus on those that are more sensitive to the risks inherent in the business.

### **E.2. Identify the bodies responsible for preparing and implementing the Risk Management and Control System, including tax risks:**

#### **BOARD OF DIRECTORS**

Description of its functions:

- Approval of the risk control and management policy, including tax risks, identifying the main risks faced by the Company and implementing, supervising and monitoring the internal information and control systems.

#### **AUDIT AND CONTROL COMMITTEE**

Description of its functions:

- Supervise the efficiency of the Company's internal control, the risk management systems, including tax risks, the management of internal audit services that ensure the good performance of the internal information and control systems, especially related to the reporting processes in terms of accuracy and filing the regulated financial information on the Company and its group, check compliance with the regulatory requirements, the appropriate limits on the scope of consolidation and the right use of the accounting criteria, reporting this to the Board of Directors. The person in charge of the internal audit is required to present before the Committee his/her guidance and work planning for their approval and make sure that the activity is fundamentally focused on the material risks faced by the Company and directly inform the Committee of any incidents that may arise in its course, as well as present the Committee with a report on its activities at the end of each fiscal year. Furthermore, the Audit and Control Committee will discuss with the Auditor any material weaknesses identified in the internal control system during the audit.
- Supervise the procedure followed to prepare and file the regulatory financial information and the internal risk management and control systems related to the Company's significant risks for them to be identified (operational, technological, financial, legal or reputational), managed and reported appropriately, setting the risk level tolerated by the Company, the measures needed to minimise the impact of the risks identified, and determine the control and information systems to be used to control and manage them, ensure the independence and efficiency of the internal auditing unit, propose the selection, appointment, re-election and removal of the head of the internal audit service, and the budget of such service, receive regular information on its activities and check that the senior management takes into account the conclusions and recommendations in the reports.
- Supervise the development of the functions assigned to the area in charge of preventing money laundering and know the reports and proposals presented in this regard.

#### **INTERNAL AUDIT**

Description of its functions:

- Revise the procedures and systems established for risk control.

#### **RISK DEPARTMENT**

Description of its functions:

- This body reports to the Board of Directors.
- The Risk department carries out its functions on all the entities included in the scope of consolidation of the Renta 4 Group and is in charge of monitoring the established risk control systems.

#### **REGULATORY COMPLIANCE DEPARTMENT.**

Description of its functions:

- This body reports to the Board of Directors.
- The regulatory compliance department regularly identifies and appraises the risks of regulatory non-compliance in the different business areas and helps manage this efficiently.

**E.3. Specify the main risks, including tax ones and, when significant, those derived from corruption (as described in the Spanish Royal Decree 18/2017) that may jeopardise the business targets:**

The Renta 4 Group consists of a group of companies devoted to providing special services for savings and investments and is independent of any other financial or industrial group. For this reason, it is particularly exposed to the progress of the financial industry as it can have a significant impact on its results.

In accordance with the above, the basic risks that may affect the Renta 4 Group are as follows:

1. **Credit risk:** Credit risk is defined as the possibility of experiencing losses when a debtor violates its contractual duties, including the counterparty risk.
2. **Market risk:** Market risk is the possibility of experiencing losses on account of adverse fluctuations in the price of the assets that make up the trading portfolio of the Renta 4 Group.
3. **Operational risk:** Operational risk refers to potential loss arising from inadequate or failed procedures, employee mistakes and internal system errors or due to external events, in particular, natural catastrophes, mistakes made by price and information suppliers or hacking into technological systems that could jeopardise the infrastructure of the Renta 4 Group.
4. **Liquidity risk:** Liquidity risk refers to, as its name indicates, a shortage of cash, usually resulting from an imbalance in cash inflows and outflows.
5. **Regulatory risk:** This risk refers to the likelihood of experiencing loss as a result of failing to adjust Renta 4 Group's policies to the regulations governing its operations, of poorly documented operations or of claims and actions against the Group.
6. **Reputational risk:** Reputational risk arises from Renta 4 Group's actions that could lead to negative publicity regarding its business practices and connections. This could entail the loss of trust in the Group and therefore impact its solvency.
7. **Tax risk:** Tax risk is the threat of a negative impact on the financial statements and/or the Renta 4 Group's reputation as a result of tax-related decisions made by the entity or the legal or tax authorities.

**E.4. State whether the company has risk tolerance levels, including tax risks:**

Renta 4 Group's risk management strategy is based on implementing measures that will minimise or dilute the risks defined, setting specific limits for each business line, market and product.

The purpose of this system is to protect the Group's solvency and liquidity ensuring that the exposure to the risk is within the predefined limits and has a balanced profile.

The Renta 4 Group has a Risk Appetite Framework that establishes limits for the main risks attached to its operations.

**E.5. Identify any risks, including tax risks, which have occurred during the fiscal year:**

No risks materialised during the fiscal year.

**E.6. Explain any response and supervision plans in place for the company's main risks, including tax risks, as well the procedures followed by the company to ensure that the Board of Directors can respond to coming challenges:**

The measures taken to minimise the impact of the basic risks that may affect Renta 4 Group, should they materialise, are as follows:

1. Credit risk: To minimise this risk, there are procedures and specific limits in place that try to avoid a shortage of cash and/or certificates in brokerage and the settlement of operations with clients. Nevertheless, there may be certain situations where this shortage is allowed when duly authorised. In any event, these situations are limited based on the client's collateral and are monitored by the Risk Department and the Audits Unit.

Renta 4 provides financing to clients by the execution of a credit agreement with a guaranty in the form of securities, so that, by pledging the financial instruments and continuously monitoring their performance, the risk assumed in the transactions granted to the clients is covered.

Exposure to the credit risk in balance-sheet exposure is largely focused on cash investments (current accounts, deposits and Spanish short-term sovereign debt) all this in line with the limits on portfolio concentration set forth in the current regulations.

The assessment of the counterparty risk against credit entity institutions is based on the credit ratings given by the main agencies that supply this information and choosing those with the highest solvency, experience and reputation in the markets.

2. Market risk: In order to contain this risk, limits are set to ensure that, despite market price fluctuations, losses are limited to the predefined maximum levels. The limits are set depending on the conditions of the different assets and the relevance of the risk attached to each market. Within this type of risk, the VaR (Value at Risk or maximum loss that a portfolio may experience under the current market conditions) is especially relevant and is factored into the risk detection systems. The Risk Department and Audits Unit supervise that the limits set are adequately observed.

3. Operational risk: In order to minimise this risk, the Company has implemented a series of minimum requirements in employee qualifications as well as basic checks on the different jobs to integrate control routines into each role. The improvements made to computer systems contribute to tighten the control and cut down manual processes which in turn reduces the likelihood of human error.

The Risk Department and the Audits Unit are constantly monitoring and assessing the materialisation of risks derived from possible mistakes, mainly arising from brokerage operations for clients, checking that the control system works as expected.

4. Liquidity risk: In order to control this risk and ensure compliance with all the requirements set by Law in terms of legal ratios and payments due to third parties, we check the maturity dates of the assets and liabilities.

5. The monitoring and control of the liquidity risk is undertaken by the Cash and Banks Department on a daily basis working with the Finances Department and supervised by the Risk Department in the Renta 4 Group. In any case, the policy to minimise this risk focuses on the current policy for the investment in short-term and liquid assets that may be available in the event of difficulties.

6. Regulatory risk: The Renta 4 Group has a Regulatory Compliance Unit that is in charge of adjusting the procedures to the regulations and monitoring and checking their adequate implementation.

7. Reputational risk: The Renta 4 Group has established a series of regulatory compliance policies used to carry out a direct follow-up of the most significant aspects that may cause the materialisation of this risk, including but not limited to:

Prevention of money laundering • Code of conduct in the securities market (Internal Code of Conduct) • Marketing of products and MIFID [II], MIFIR and PRIIPs regulations • Market abuse in intermediation operations in capital markets • Client complaints • Criminal risk management model • Personal data protection (RGPD)

8. Tax risk: The impact of this risk is minimised by resorting to independent experts within the framework of financial audits, asking for tax opinions regarding relevant operations and, ultimately, by interacting with the Tax Agency.

**F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS IN RELATION TO INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)**

Describe the mechanisms that comprise the risk control and management systems in relation to internal control over financial reporting (ICFR) at your company.

**F.1. The company's control environment.**

Provide information, stating the main features, on at least the following:

F.1.1 Which bodies and/or units are responsible for (i) the existence and maintenance of a proper ICFR system; (ii) its implementation; and (iii) its supervision.

**BOARD OF DIRECTORS.**

The Board of Directors of Renta 4 Banco is ultimately in charge of the implementation and maintenance of an appropriate and effective ICFR which, in line with its Regulations, it entrusts to the Audit and Control Committee.

**AUDIT AND CONTROL COMMITTEE.**

The Regulations of the Board of Directors of Renta 4 Banco, in their Article 31, foresee that the basic duties of the Audit and Control Committee in connection with the internal information and control systems are as follows:

1. Supervise the effectiveness and the management of the internal auditing services in the Company that will ensure the good performance of the internal information and control systems, especially related to the preparation processes in terms of accuracy and filing the regulated financial information on the Company and its group, checking compliance with regulatory requirements, the appropriate limits on the scope of consolidation and the right use of the accounting criteria, and reporting this to the Board of Directors. The person in charge of the internal audit is required to present before the Committee his/her yearly work planning and directly inform the Committee of any incidents that may arise in its course, as well as report to the Committee on its activities at the end of each fiscal year.
2. Supervise the procedure followed to prepare and file the regulatory financial information and the internal risk management and control systems related to the Company's significant risks for them to be identified (operational, technological, financial, legal or reputational), managed and reported appropriately, setting the risk level tolerated by the Company, the measures needed to minimise the impact of the risks identified, and determine the control and information systems to be used to control and manage them, ensure the independence and efficiency of the internal auditing unit, propose the selection, appointment, re-election and removal of the head of the internal audit service, and the budget of such service, receive regular information on its activities and check that the senior management takes into account the conclusions and recommendations in the reports.
3. Check the Company's accounts, ensure compliance with the legal requirements and the right use of the standard accounting principles, and inform about the proposals to change the accounting principles and criteria suggested by the management.
4. Previously review and report to the Board of Directors about: (i) financial information that, being listed, the Company is to disclose on a regular basis, making sure that the interim statements are prepared following the same accounting criteria as the yearly statements and, for such purposes, consider if it is convenient to request a limited review from the Company's external auditor; (ii) the issue or purchase of shares in entities with a special purpose or based in countries or jurisdictions that are considered tax havens, as well as any other transaction or operation of a similar nature that, due to its complexity, could hinder the transparency of the Company's group; (iii) and of linked operations.
5. Receive from employees, confidentially but not anonymously, written communications on possible irregularities with a potential relevance, especially financial or accounting ones, that they may detect in the Company or its group companies.
6. Ensure compliance with the internal codes of conduct and the rules of corporate governance as well as the regulations on markets in the industry.
7. Supervise the development of the functions assigned to the area in charge of preventing money laundering and know the reports and proposals presented in this regard. Members of the Audit and Control Committee are appointed taking into account their knowledge and experience in accountancy, auditors and risk management. All its members will be external Directors and are duly kept abreast of any regulatory changes that may take place in those areas. From among its members, the Board of Directors appoints a Chairman who will be an independent Director and will remain in office for no longer than four years without prejudice to his/her continuity or re-election as a member of the Committee.



#### INTERNAL AUDIT.

The Group has an Internal Audit area that is subject to the control and supervision of the Audit and Control Committee. Below are some of the functions undertaken by the Internal Audit area:

1. Supervise compliance and the effectiveness of the internal control systems and procedures, as well as supporting the organisation in improving such systems and procedures as well as the control activities.
2. Ensure that all financial and management information is sufficient, accurate and reliable.
3. Examine the established systems to ensure compliance with the internal rules and external regulations in force, assessing their suitability and effectiveness.

So as to meet its goals, this area combines in-person audits with remote audits. MANAGEMENT COMMITTEE.

The tasks assigned to the Management Committee are the management, control and monitoring of the Bank and the Group; the monitoring, control and assessment of the business areas; the establishment of the sales strategy and follow-up of its activity; the implementation of targets and a common sales policy; the assessment of investments, operations in securities markets and the financing structure; the analysis of prices and intragroup proposals for prices and rates; the changes in the Group's technological needs and proposals to improve the system; the coordination of the Bank with the different areas in the Group; and, lastly, the implementation of policies on the management of subsidiaries and the follow-up of the results.

#### REGULATORY COMPLIANCE UNIT.

The Renta 4 Group has an independent unit in charge of the regulatory compliance that, through the right policies and procedures, detects and handles the risk of non-compliance with the organization's duties, whether internal or external, in this respect. Furthermore, the unit reports and advises the management and employees about, and monitors compliance with, the internal rules across the organisation. The risk of non-compliance with the regulations could have an impact on the financial information.

Furthermore, the Renta 4 Group provides its clients with a Customer Service to learn, study and solve any complaints and claims they may have regarding the operations, agreements and financial services and, generally, their experience with the different entities making up the Renta 4 Group. This Customer Service is an extra control tool to detect any possible errors in the financial information after analysing the claims received.

#### ADMINISTRATION AND ACCOUNTANCY AREA.

The Administration and Accountancy Area of Renta 4 Banco is the area in charge of preparing and directly controlling the financial information, reporting directly to the senior management and the Board of Directors.

This area is in charge of the following tasks for the financial reporting:

1. Accountancy: in charge of the Bank's accountancy and ensuring compliance with the procedures set to control the quality and reliability of the information produced by the different areas in the Group.
2. Consolidation: in charge of consolidating and following up the information on subsidiaries and affiliates.

F.12 If any, especially in connection with the financial reporting process, the following elements:

- Departments and/or mechanisms tasked with: (i) devising and reviewing the organisational structure; (ii) clearly defining the boundaries of responsibility and authority, with proper distribution of tasks and functions; and (iii) ensuring that sufficient procedures are in place to spread awareness of this across the company:

The devising and reviewing of the organisational structure as well as the drawing up of responsibilities and authority is undertaken by the Board of Directors by means of the CEO and the Appointments and Remuneration Committee (body made up of external members of the Board of Directors) with the support of the Management Committee.

The CEO and the Appointments and Remuneration Committee determine the assignment of tasks and functions, ensuring a suitable distribution of functions and a series of coordination systems between the different departments that will guarantee the efficiency of the operations.

- Code of conduct, approving body, dissemination and instruction, principles and values covered (stating whether it makes specific reference to record-keeping and financial reporting), body in charge of investigating breaches and proposing corrective or disciplinary action:

The Renta 4 Group has an Internal Code of Conduct adopted by the Board of Directors. This applies to all employees, proxies, executives, directors and representatives of the Group and it sets forth the principles and values that should govern the Group's actions. This Internal Code of Conduct sets a framework for action in the event of breach by the people subject to the Code.

Renta 4 Banco delivers this Internal Code of Conduct to all people affected by it, who in turn acknowledge its receipt and personally accept that they know, understand and accept the ICC as well as all the commitments contained therein.

The Regulatory Compliance unit is the body in charge of ensuring the appropriate distribution of this Code and its compliance. It will report to the Audit and Control Committee any non-compliances or bad practices detected and will propose the relevant disciplinary actions that should be then ratified by the appropriate governing body.

- Whistleblowing channel to report any financial and accounting irregularities to the audit committee, in addition to any breaches of the code of conduct and irregular activities within the organisation, reporting whether this is confidential, as the case may be:

Any financial or accounting irregularities are reported to the Audit Committee through the Internal Auditor who attends all the Committee meetings and informs the Committee Chairman of such irregularities for them to be studied and remedied.

Furthermore, the Group has a whistleblowing channel where customers, employees and suppliers can inform of any alleged irregular conduct, non-compliance or illegal act committed in the course of the operations run by the companies making up the Renta 4 Group that could entail a criminal offence. This whistleblowing channel is confidential.

The Compliance Unit (made up of the Head of Internal Audit, the Head of Risks and the Head of Regulatory Compliance) is the body that reports to the Audit and Control Committee and receives and analyses all the complaints. It has independent power to investigate and solve each case. The Compliance Unit reports its activity in handling the claims to the Board's Audit and Control Committee.

- Training programmes and regular refresher courses for personnel involved in the preparation and review of financial information and the assessment of ICFR, covering at least accounting standards, auditing, internal control and risk management:

The Group develops training schemes for the entire staff, including employees who are directly involved in the financial reporting.

These schemes include permanent updates on regulatory changes in the operations conducted by the different companies in the Group, including the knowledge of the International Rules on Financial information and the applicable regulations enforced by the Bank of Spain, CNMV and the General Directorate of Insurance.

## **F.2. Assessment of risks related to financial information.**

Report, at least, on:

F.2.1 The main characteristics of the process for identification of risks, including the risk of error or fraud, as follows:

- Whether the process exists and is documented:

The Management of Renta 4 Bank is in charge of keeping an adequate internal control on the financial reporting. This internal control on the financial information is overseen by the Chairman of the Board and of the Audit and Control Committee so as to provide a reasonable level of assurance regarding the reliability of the financial information and the preparation of the disclosed consolidated financial statements of the Group that are reported under the rules in force at the time.

The main risks in the financial reporting process are:

- Errors from misapplying the accounting principles.
- Fraudulent financial information.
- Deficiencies in breaking down the information.

In order to minimise these risks in the financial reporting, the Renta 4 Group has automated practically all the accounting of the operations with clients.

With regard to the processes with a manual element in financial reporting, we have identified the risks and controls or the minimising factors related to them so as to assess, supervise and conclude, for each of these and for the financial information as a whole, that they are reasonably free of material errors.

In addition to this, we run a series of conciliations to guarantee that the accounting information matches the information provided by third parties.

The Audit and Control Committee supervises the process followed to identify the risks pertaining the financial information as part of its duties to supervise and control the financial information.

- Whether the process covers all financial reporting objectives (existence and occurrence, completeness, measurement, presentation, disclosure and comparability, and rights and obligations), whether it is updated and how often:

This process covers all financial information and especially focuses on identifying risks of material error based on the complexity of the transactions, the quantitative and qualitative relevance, the complexity of the calculations and the application of judgements and estimates. This process is updated depending on the change in the level of exposure to the risks inherent in the operations run by the Renta 4 Group.

- The existence of a process to identify the scope of the consolidated group, considering aspects such as the possibility of complex corporate structures or special-purpose vehicles:

The scope of consolidation of the Renta 4 Group is determined by the Administration and Accounting Area in line with the criteria foreseen by the relevant regulations.

The scope of consolidation is also supervised by the internal audit unit and by the external auditors.

- Whether the process takes into account other types of risks (operational, technology, financial, legal, tax, reputational, environmental risk etc.), which may affect the financial statements:

The process takes into account the main risks affecting the Renta 4 Group, including operational, technological, financial, legal, reputational and other risks.

- Which of the entity's governing bodies supervises the process:

This internal control on the financial information is overseen by the Chairman of the Board and of the Audit and Control Committee so as to provide a reasonable level of assurance regarding the reliability of the financial information and the preparation of the disclosed consolidated financial statements of the Group that are reported under the rules in force at the time.

**F.3. Control activities.**

Specify, indicating any salient features, if it has at least:

F.3.1 Procedures to review and authorise the financial reporting and description of the ICFR to be disclosed in the securities markets, indicating the people in charge and the documents describing the work flows and controls (including those related to fraud risk) of the different types of transactions that may have a material impact on the financial statements, including the procedure for the year-end closing and the special reviewing of the relevant judgements, estimates, assessments and forecasts.

There are a series of checks in place for the transactions that could have a material impact on the financial statements.

These checks are fundamentally based on the following aspects:

- Confirmation of transactions: checks to ensure the completeness and accuracy of the transactions recorded.
- Checks based on the conciliation of relevant transactions, positions and parameters.
- Assessment: running checks on the assessment methods, hypothesis and inputs used to estimate the fair value of the financial instruments.
- Taxes: internal checks to ensure that the tax calculations are appropriate and the balances are duly posted in the financial statements with the help of the Group's external tax consultancy firm.
- Adjustments based on estimates: checks to ensure that the techniques used to prepare the estimates are based on previously disclosed and authorised judgements.
- Checks on the consolidation and other processes in the year-end closing: The checks on the consolidation include, among other measures, verifying the accounting entries posted to eliminate inter and intra-group operations and the review of the adjustments made after the year-end closing.
- Filing and breaking down the financial statements: final review of the financial statements by the Group's senior management, especially by the financial area with prior checks run by the Administration and Accounting area and the Audits Unit.

F.3.2 Internal control policies and procedures for IT systems (including access security, control of changes, system operation, continuity and separation of duties) giving support to key Company processes involved in the preparation and publication of financial information.

The Renta 4 Group keeps different levels of access security on the IT systems that support the preparation and disclosure of the financial information to guarantee the right segregation of the functions within the accounting process, and to avoid intrusions in this regard.

The IT systems are exposed to the business continuity risk that arises from possible contingencies due to failed communications, power cuts, faulty hardware or software and other unexpected events or disasters.

The Renta 4 Group has a business continuity plan in accordance with the applicable regulations and it translates into different plans to tackle the aforementioned risks.

F.3.3 Internal control policies and procedures designed to supervise the management of third-party subcontracted activities, in addition to any evaluation, calculation or appraisal tasks entrusted to independent experts that may have a material impact on the financial statements.

The Renta 4 Group does not outsource any relevant activities that would have a material impact on the Group's financial statements.

**F.4. Information and reporting.**

Specify, indicating any salient features, if it has at least:

F.4.1 A specific function in charge of defining and maintaining accounting policies (accounting policies area or department) and resolving queries or settling disputes over their interpretation, which is in regular communication with the team in charge of operations, and a manual of accounting policies regularly updated and communicated to all the Company's operating units.

The Administration and Accounting Area is responsible for the appropriate application of the accounting rules in financial reporting. Along with preparing the accounting records, their functions are:

- Defining the Group's accounting policies and procedures.
- Analysing any given operations and/or transactions to be posted accordingly.
- Assessing the potential impacts of plans to change regulations.
- Solve any in-house doubts.

The Administration and Accounting Area is in contact with the external auditors for any doubts about the posting of operations and/or transactions.

F.4.2 Mechanisms to capture and prepare the financial information with consistent formats, to be implemented and used by all units in the Company or group, which support the main financial statements and the notes, in addition to any information provided on the ICFR.

The main computer systems used for the financial reporting by the Renta 4 Group are centralised and linked.

There are procedures and checks in place to ensure the adequate development and maintenance of such systems and their correct operation, continuity and security.

When consolidating and preparing the financial information the company uses the financial statements reported by the Group's subsidiaries as input with the predefined formats as well as any other financial information required for the accounting reconciliation and to meet the information requirements.

**F.5. Supervision of system operation.**

Provide information, stating the main features, on at least:

F.5.1 ICFR supervisory activities conducted by the audit committee and whether the entity has an internal audit department whose competences include supporting the committee in its oversight of the internal control system, including ICFR. Likewise, specify the scope of the ICFR assessment conducted during the year and the procedure followed by the person in charge of the assessment to report the findings, whether the entity has an action plan detailing the corrective measures, and whether their impact on the financial information has been taken into account.

The Audit and Control Committee oversees that the financial reporting runs smoothly by directly supervising the internal audit unit and the work performed by the external auditors.

In parallel, the Audit and Control Committee may ask for help from the employees in the different areas in the Group to gather information on the existence of weaknesses that may have a significant impact on the financial information.

The Group's senior management, based on the information received from the audit areas, both internal and external, and the information on inspection procedures followed by regulatory bodies, will assess the effectiveness of the ICFR.

F.5.2 Whether the company has a discussion procedure whereby the accounts auditor (in accordance with what is set forth in the NTAs), the internal audit staff and other experts are able to inform senior management and the audit committee or company directors of any significant weaknesses in internal control identified during the processes of review of annual financial statements or any others entrusted to them. State also whether the entity has an action plan to correct or mitigate the weaknesses found.

The Internal Audit unit informs the senior management and the Audit and Control Committee of any relevant weaknesses in the internal control identified during the year's reviews.

Furthermore, the Group's accounts auditor is in direct contact with the Group's senior management and holds regular meetings with them to obtain the information needed for his/her work and to report any weaknesses in the control detected in the course of his/her duties. Regarding the weaknesses, the external auditors provide the senior management with yearly and half-yearly reports detailing the weaknesses in the internal control found in the course of his/her duties.

The accounts auditor will also inform the Audit and Control Committee of the findings of his/her review of the Group's financial statements including any aspects that he/she may deem relevant.

The Internal Audit area regularly follows up the action plans resulting from the external auditor's recommendations and informs the Audit and Control Committee of their progress at least once a year depending on the relevance of the situation.

**F.6. Other significant information.**

No additional issues to be disclosed have been identified.

**F.7. External auditor's report.**

Report:

F.7.1 If the ICFR information supplied to the market has been reviewed by the external auditor, the corresponding report should be attached. If this is not the case, it should explain why.

The Renta 4 Group deemed that a report from the external auditor on the ICFR would be redundant, mainly because the external auditors conduct, on a half-yearly basis, an audit on the consolidated financial statements or a limited review of the summarised interim consolidated financial statements within the framework of the auditing regulations, and discusses with the Audit and Control Committee any relevant aspects or incidents.

**G. EXTENT TO WHICH THE CORPORATE GOVERNANCE RECOMMENDATIONS ARE FOLLOWED**

Please indicate the extent to which the company has followed the recommendations of the Code of Good Governance of Listed Companies.

Should the company not comply with any of the recommendations or comply only in part, include a detailed explanation of the reasons so that shareholders, investors and the market in general have enough information to assess the company's behaviour. General explanations are not acceptable.

1. The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by acquiring shares on the market.

Compliant [ X ]      Explain [ ]

2. When a dominant and a subsidiary company are listed on the stock market, the two should provide detailed disclosures on:

- a) Their respective areas of activity and possible business relations between them, as well as those of the subsidiary listed company with other companies belonging to the same group.
- b) The mechanisms in place to resolve any conflicts of interest that may arise.

Compliant [ ]      Partially compliant [ ]      Explain [ ]      Not applicable [ X ]

3. During the ordinary general meeting, the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report, and in particular:

- a) Of the changes that have occurred since the last ordinary general meeting.
- b) Of the specific reasons why the company is not following certain recommendations of the Code of Corporate Governance and, if any, the alternative rules applied to this matter.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

4. The company will define and promote a policy of communication and contact with shareholders, institutional investors and proxy advisors, respecting the rules on market abuse and treating shareholders who are in the same position equally.

And the company should make this policy public via its website, including information on the way it has been put into practice and identifying the interlocutors or persons responsible for carrying this out.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

5. That the Board of Directors does not submit to the general meeting a proposal of delegation of powers to issue shares or convertible securities excluding the right to preferential purchase, for an amount above 20% of the share capital at the time of delegation.

And that when the Board of Directors approves any issue of shares or convertible securities excluding the right to preferential purchase, the Company should immediately publish on its website the reports on this exclusion as laid down in the companies' laws.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

6. The listed companies which produce the reports listed below, either in mandatory or voluntary form, publish them on their website with sufficient notice before the ordinary general meeting is held, although their dissemination is not mandatory:

- a) Report on the external auditor's independence.
- b) Reports of proceedings of the audit committees and the appointments and remuneration committee.
- c) Audit committee report on related-party transactions.
- d) Report on the corporate social responsibility policy.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

7. The Company broadcasts live, via its website, the holding of general meetings of shareholders.

Compliant [ X ]      Explain [ ]

8. The Audit Committee ensures that the Board of Directors should seek to present the accounts to the General Meeting of Shareholders without limitations or qualifications in the audit report and, in exceptional cases where there are qualifications, both the chairman of the Audit Committee and the auditors should clearly explain to shareholders the contents and scope of such limitations or qualifications.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

9. The Company should make public on its website, permanently, the requirements and procedures it will accept to prove ownership of shares, the right to attend the general meeting of shareholders and the exercise or delegation of voting rights.

And such requirements and procedures facilitate the shareholders' attendance and the exercise of their rights and are applied in a non-discriminatory manner.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]



10. Where any legitimate shareholder has exercised, prior to the holding of the general meeting of shareholders, the right to complete the agenda or to submit new resolution proposals, the Company:

- a) Immediately disseminates such additional items and new resolution proposals.
- b) Makes public the attendance card model or form of proxy or remote voting with the changes required so that the new items on the agenda and alternative resolution proposals can be voted on, in the terms proposed by the board of directors.
- c) Submits all these items or alternative proposals to vote and the same voting rules are applied to them as those made by the board of directors, including, in particular, presumptions or inferences about the direction of the vote.
- d) Announces, after the general meeting of shareholders, the breakdown of the vote on such additional points or alternative proposals.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]      Not applicable [ ]

11. In the event that the Company plans to pay premiums to attend the general meeting of shareholders, it will previously establish a general policy on such premiums and this policy is stable.

Compliant [ ]      Partially compliant [ ]      Explain [ ]      Not applicable [ X ]

12. The Board of Directors will perform its duties with unity of purpose and independent judgment, and it will treat all shareholders who are in the same position equally and guide itself by the Company's interests which are understood as achieving a profitable and sustainable long-term business, to promote the Company's continuity and maximise its economic value.

In pursuing the Company's interests, in addition to complying with laws and regulations and acting in good faith, ethically and respecting the commonly accepted uses and good practices, the Board of Directors will endeavour to reconcile the Company's interests with, where applicable, the legitimate interests of its employees, its suppliers, its customers and those of other stakeholders that may be affected, as well as the impact of the Company's activities on the community as a whole and in the environment.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

13. The board of directors has enough members in order to implement efficient and participative proceedings, which makes it advisable that the board should have between five and fifteen members.

Compliant [ X ]      Explain [ ]

14. The Board of Directors approves a policy of selection of directors that:

- a) Is specific and verifiable.
- b) Ensures that proposals for appointment or reappointment are based on a preliminary analysis of the needs of the board of directors.
- c) Promotes the diversity of knowledge, experience and gender.

The result of the previous analysis of the needs of the board of directors is collected in the committee's report justifying the appointments to be published when the general meeting of shareholders is called, in which the ratification, appointment or re-election of each director is submitted.

And the selection policy promotes the goal that by 2020 the number of female directors will represent no less than 30% of the total members of the Board of Directors.

The appointments committee will annually verify compliance with the policy of selection of directors and inform thereof in the annual corporate governance report.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

15. The proprietary directors and independent directors constitute a significant majority of the Board of Directors and the number of executive directors is kept to the minimum necessary, having regard to the complexity of the corporate group and the percentage shareholding of the executive directors in the Company's share capital.

Compliant [ ]      Partly compliant [ X ]      Explain [ ]

At the end of the fiscal year this report refers to, the number of proprietary (2) and independent (4) directors represented half the number of members of the Board of Directors (12). Notwithstanding the foregoing, it should be borne in mind that during the 2019 fiscal year, the category of 2 directors was changed from independent to other external directors simply because they had exceeded the maximum term of 12 years since their appointment, so that during the 2019 financial year, non-executive directors represented an ample majority over executive directors.

16. The percentage of proprietary directors over the total of non-executive directors is not higher than the proportion between the capital represented by such directors and the remainder of the Company's share capital.

This criterion may be reduced:

- a) In large-cap companies where the shareholdings legally considered significant are low.
- b) In companies where there is a diversity of shareholders represented on the board of directors and there are no links between them.

Compliant [ X ]      Explain [ ]

17. The number of independent directors represents at least half of all directors.

However, where the Company is not highly capitalised or where, being highly capitalised, it has a shareholder or several shareholders acting together, who control more than 30% of the share capital, the number of independent Directors should represent at least one third of the total members.

Compliant  Explain

18. Companies should post the following director particulars on their websites, and keep them permanently updated:

- a) Professional and biographical profile.
- b) Other boards of directors on which they sit, whether or not these belong to listed companies, as well as other remunerated activities in which they may be involved.
- c) The category to which the director belongs, where applicable, stating, in the case of proprietary directors, the shareholder they represent or to whom they have links.
- d) Date when they were first appointed as a director of the company, as well as the dates of any subsequent reappointments.
- e) Their holdings of company shares and their stock options.

Compliant  Partially compliant  Explain

19. The Annual Corporate Governance Report, with prior verification by the Appointments Committee, explains the reasons for the appointment of proprietary directors at the request of shareholders whose shareholding is less than 3% of the share capital; and reasons are given why formal requests for a seat on the board from shareholders with a stake equal to or greater than that of others, at whose request proprietary directors were appointed, have not been respected.

Compliant  Partially compliant  Explain  Not applicable

20. Proprietary directors tender their resignation when the shareholders they represent sell their entire shareholding. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the latter's number should be reduced accordingly.

Compliant  Partially compliant  Explain  Not applicable

21. The Board of Directors shall not propose the removal of any independent Director before the statutory period for which they were appointed, except where just cause is found by the Board of Directors following a report from the Appointments Committee. It shall be understood that there is just cause when the director takes up a new post or takes on new duties that prevent him/her from devoting the necessary time to the performance of the duties associated with the directorship, when the director fails to carry out the duties inherent to his/her post or when the director is involved in circumstances which cause him/her to lose his/her independent status in accordance with the provisions of the legislation applicable.

The removal of independent directors from office may also be proposed as a result of public buy-outs, mergers or other similar enterprise-level transactions implying a change in the structure of the Company's capital, where such changes in the Board are due to the proportionality criterion in Recommendation 16.

Compliant  Explain

22. Companies establish rules obliging directors to provide information and, where appropriate, tender their resignation in cases where it is alleged they could prejudice the good name and reputation of the Company and, in particular, oblige them to inform the Board of Directors of any criminal lawsuits they may be involved in, as well as any subsequent legal proceedings.

In any event, if a Director were prosecuted or had a court order issued against him or her initiating trial proceedings for any of the offences defined in corporate law, the Board of Directors shall examine the case as soon as practicable and, in view of the particular circumstances, decide whether or not he/she should remain in office. And the Board of Directors gives a reasoned account of such circumstances in the Annual Corporate Governance Report. The board of directors should also give a reasoned account of these circumstances in the annual corporate governance report.

Compliant  Partially compliant  Explain

23. All directors clearly express their opposition when they consider that a proposal submitted to the Board for Directors for decision could be contrary to the Company's interests. Moreover, independent directors and other directors in particular, who are not affected by potential conflict of interest, should do the same in the case of decisions that could be detrimental to shareholders not directly represented on the Board of Directors.

And when the Board of Directors adopts significant or repeated decisions on matters with regard to which the director has expressed serious reservations and subsequently opts to resign, the ensuing conclusions drawn and reasons for the resignation must be explained in the letter referred to in the following recommendation.

This recommendation also extends to the secretary to the board of directors, even if the secretary is not a director.

Compliant  Partially compliant  Explain  Not applicable

24. When, whether due to resignation or any other reason, a director leaves his or her position before the end of the term, the reasons are explained in a letter sent to all the members of the Board of Directors. Irrespective of whether such resignation is filed as a significant event, the motive for the same must be explained in the Annual Corporate Governance Report.

Compliant  Partially compliant  Explain  Not applicable

25. In addition, the Appointments Committee will ensure that non-executive directors have sufficient time to properly perform their duties.

And that the Board regulations sets the maximum number of boards of which the directors may form part.

Compliant  Partly compliant  Explain

The Company's Board Regulations do not specify a maximum number of boards on which the Company's directors may sit but such limit is set forth in the regulations applied to the Company as a credit entity. For this reason, the principle given by the recommendation is met. In other words, the directors should devote sufficient time to efficiently perform their duties and to know the Company's business and the governance rules that govern it and they meet its purpose despite not fully observing the recommendation and all the directors are aware of the limits set in the regulations in this regard.

26. The Board of Directors holds meetings as frequently as required in order to carry out its role effectively, at least eight times a year, following the programme and agenda established at the start of the year, with each director able to propose for inclusion alternative items not originally on the agenda.

Compliant  Partially compliant  Explain

27. Directors' absences should be limited to the bare minimum and quantified in the Annual Corporate Governance Report. And, when they must occur, instructions are given to proxies.

Compliant  Partially compliant  Explain

28. When the directors or the secretary express concerns about a particular proposal or, in the case of the directors, about the Company's progress and such concerns are not resolved within the Board of Directors, this is recorded in the minutes at the request of whoever expressed such concerns.

Compliant  Partially compliant  Explain  Not applicable

29. The Company will establish suitable channels for directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the Company's expense.

Compliant  Partially compliant  Explain

30. In addition, regardless of the knowledge required of the Directors to perform their duties, the Company will also offer Directors refresher programmes when circumstances so warrant.

Compliant  Explain  Not applicable

31. The agenda of the sessions clearly indicates the points on which the Board of Directors will adopt a decision or agreement so that directors can study or seek, in advance, the information required for its adoption.

When exceptionally, for reasons of urgency, the Chairman wishes to submit for the approval of the Board of Directors any decisions or agreements not included in the agenda, this will require the express prior consent of the majority of the directors present, which will be duly recorded in the minutes.

Compliant  Partially compliant  Explain

32. Directors should be regularly informed of the movements in shareholdings and of the opinions that significant shareholders, investors and rating agencies have of the Company and its group.

Compliant  Partially compliant  Explain

33. The chairman, as the person responsible for the proper functioning of the board of directors, in addition to exercising the functions assigned to him by law and the bylaws, should prepare and submit to the board a schedule of dates and items to be discussed; organise and coordinate regular assessment of the board and, where applicable, assessment of the company's chief executive; take responsibility for management of the board and of the effectiveness of its functioning; ensure that sufficient time is allocated to discuss strategic issues, and agree and review programmes to update knowledge for each director, when circumstances so advise.

Compliant  Partially compliant  Explain

34. When there is an independent lead director, the Bylaws or regulations of the Board of Directors, in addition to the powers legally entitled, attribute him/her the following: chairing the Board of Directors in the absence of the Chairman and Vice-Chairmen, if any; echoing the concerns of non-executive directors; maintaining contacts with investors and shareholders to ascertain their views in order to form an opinion about their concerns, particularly in relation to the corporate governance of the Company; and coordinate the Chair's plan of succession.

Compliant  Partially compliant  Explain  Not applicable

35. The Secretary to the Board of Directors shall also ensure that the Board of Directors is aware of recommendations on good governance that apply to the Company and that are part of the Code of Good Governance for listed companies.

Compliant  Explain

36. The complete Board of Directors should evaluate, once a year, and adopt, where applicable, an action plan to correct deficiencies identified with respect to:
- The quality and efficiency of operation of the board of directors.
  - The operations and the composition of its committees.
  - The diversity of Board membership and competences.
  - The performance of the Chairman of the Board of Directors and the Chief Executive Officer of the Company.
  - The performance and contribution of each Director, paying particular attention to those who are in charge of the various board committees.

The evaluation of the various committees will be based on the reports they submit to the Board of Directors, and for the latter, evaluation will be based on the one submitted by the Appointments Committee.

Every three years, the Board of Directors will be assisted to carry out the evaluation by an external consultant, whose independence will be verified by the Appointments Committee.

Business relationships that the consultant or any Company in its group have with the Company or any Company of its group should be detailed in the annual corporate governance report.

The process and the evaluated areas will be further described in the annual corporate governance report.

Compliant  Partially compliant  Explain

37. When an Executive Committee exists, the framework for the participation of the different categories of directors will be similar to that of the Board of Directors itself, and its Secretary will be the secretary to the board.

Compliant  Partially compliant  Explain  Not applicable

38. The Board of Directors is always aware of matters dealt with and decisions adopted by the Executive Committee and all the members of the board receive a copy of the minutes of the meetings of the Executive Committee.

Compliant  Partially compliant  Explain  Not applicable

39. The members of the Audit Committee, and especially its chairman, are appointed taking into account their knowledge and expertise in the field of accounting, audit or risk management, and the majority of such members are independent directors.

Compliant  Partially compliant  Explain

40. Under the supervision of the audit committee, there should be a unit that assumes the internal audit function to ensure the proper functioning of the information and internal control systems, which are functionally dependent on the non-executive Chairman of the Board or the Audit Committee.

Compliant [ X ]

Partially compliant [ ]

Explain [ ]

41. The head of the division that fulfils the internal audit duties will present its annual work plan to the Audit Committee in which it directly reports any incidents that may have arisen during its implementation, submitting this information at the end of each year in an activity report.

Compliant [ X ]

Partially compliant [ ]

Explain [ ]

Not applicable [ ]



42. In addition to those as legally established, the Audit Committee is responsible for the following:

1. With regard to information systems and internal control:
  - a) Supervise the process of preparing and the integrity of the financial information on the Company and, where applicable, to the Group, reviewing compliance with the regulatory requirements, the proper delimitation of its scope of consolidation and the correct application of accounting principles.
  - b) Ensure the independence and effectiveness of the internal audit processes, proposing the election, appointment, re-election and removal of the head of the internal audit division in addition to proposing the budget for this service, approving both orientation and its operating plans, ensuring that their activity is focused mainly on the risks that are relevant to the Company, receiving regular information on their activities and verifying that senior management is taking into account the conclusions and recommendations of the Committee's reports.
  - c) Establish and supervise a method that allows employees to make confidential and, if possible and appropriate, anonymous statements on any irregularities, especially financial and accounting irregularities, that may potentially be important to the Company.
2. With regard to the external auditor:
  - a) Examine the circumstances behind the resignation of the external auditor, should this occur.
  - b) Ensure that the remuneration for the external auditor for his or her work does not compromise his or her integrity or independence.
  - c) Ensure that the Company notifies the change of auditor as a regulatory announcement to the CNMV and that this notification is accompanied by a statement citing any disagreements the Company may have had with the outgoing auditor and, if there were such disagreements, to discuss them.
  - d) Ensure that the external auditor annually holds a meeting with the full Board of Directors to report on the work done and the evolution of the Company's accounting and risk situation.
  - e) Ensure that the Company and the external auditor adhere to current regulations regarding the provision of non-audit services as well as the limits on the auditor's business concentration and, in general, the other rules on auditor independence.

Compliant [ X ]

Partially compliant [ ]

Explain [ ]

43. The Audit Committee may summon any employee or executive of the Company; this includes appearances without the presence of any other executive.

Compliant [ X ]

Partially compliant [ ]

Explain [ ]

44. The Audit Committee should be informed of the operations of structural and corporate changes that the Company plans to carry out, for analysis and preliminary report to the Board of Directors on their economic conditions and their accounting impact, and especially, if any, on the proposed swap equation.

Compliant  Partially compliant  Explain  Not applicable

45. The control and risk management policy should specify at least:

- a) The different types of financial and non-financial risks (including operational, technological, legal, business, environmental, political and reputational) that the Company faces, including financial and economic risks, contingent liabilities and other off-balance sheet risks.
- b) Setting the level of risk that the Company considers acceptable.
- c) The measures planned to mitigate the impact of identified risks, should they materialise.
- d) The information and internal control systems to be used to control and manage the abovementioned risks, including contingent liabilities or off-balance sheet risks.

Compliant  Partially compliant  Explain

46. Under the direct supervision of the Audit Committee or, if any, of a specialised committee of the Board of Directors, there is an internal function of risk control and management exercised by a unit or internal department of the Company that has expressly attributed the following functions:

- a) Ensure the proper functioning of the control and risk management systems and, in particular, that all the important risks affecting the Company are adequately identified, managed and quantified.
- b) Actively participate in the development of a risk strategy and take part in the important decisions concerning risk management.
- c) Ensure that the control and risk management systems in place adequately mitigate the risks within the framework of the policy defined by the Board of Directors.

Compliant  Partially compliant  Explain

47. Members of the Appointments and Remuneration Committee – or both Committees if they were separate – are designated by ensuring that they have the knowledge, skills and experience appropriate to the duties that they are to perform and that most of these members are independent directors.

Compliant  Partially compliant  Explain

48. Highly-capitalized companies have an Appointments Committee and a separate Remuneration Committee.

Compliant [  ]      Explain [  ]      Not applicable [  ]

49. The Appointments Committee should consult with the company's Chairman of the Board of Directors and chief executive, especially on matters relating to executive directors.

Any Director may request that the Appointments Committee take into consideration potential candidates to fill director vacancies if he/she feels that they are suitable.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

50. The duties of the remuneration committee must be exercised with independence and include, in addition to those indicated by law, the following:

- a) Propose to the Board of Directors the standard conditions for senior officers' employment contracts.
- b) Check compliance with the remuneration policy set by the company.
- c) Periodically review the remuneration policy applied to directors and senior officers, as well as the remuneration systems that include shares and how they are implemented, in addition to guaranteeing that their individual remuneration is proportional to that which is paid to other directors and senior officers of the Company.
- d) Ensure that any conflicts of interest do not interfere with the independence of the external advice given to the committee.
- e) Verify the information on directors' and senior officers' remuneration found in various corporate documents, including the annual report on directors' remuneration.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

51. The Remuneration Committee should consult with the Chairman and chief executive, especially on matters relating to executive directors and senior officers.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

52. The rules regarding the composition and proceedings of the supervisory and control committees should be listed in the Board Regulations and be consistent with those applicable to the legally mandatory committees under the foregoing recommendations, including the following:
- a) They should be composed exclusively of non-executive directors, with a majority of independent directors.
  - b) The chairmen should be independent directors.
  - c) The board of directors should appoint the members of these committees, taking into account the knowledge, skills and experience of the directors and the responsibilities of each committee; deliberate on its proposals and reports; and, at the first plenary session of the board after their meetings, receive an account of their activity and a report on the work carried out.
  - d) The committees should seek external advice when they deem it necessary to perform their duties.
  - e) Minutes of meetings should be taken, and copies sent to all directors.

Compliant [ X ]

Partially compliant [ ]

Explain [ ]

Not applicable [ ]

53. The supervision of compliance with the rules of corporate social responsibility policy, the internal codes of conduct and the corporate governance policy is attributed to one or more committees within the Board of Directors; these committees may be the Audit Committee, the Appointments Committee, or the corporate social responsibility committee, if any, or a specialised committee created specifically for such duties by the Board of Directors; and these committees will have the following minimum duties:
- a) Overseeing compliance with the Company's internal codes of conduct and its rules of corporate governance.
  - b) Supervising the Company's communication strategy and its relations with shareholders and investors, including small and medium shareholders.
  - c) Regular assessment of the adequacy of the Company's corporate governance system so that it may fulfil its mission of promoting its business activity and keep the legitimate interests of other stakeholders in mind.
  - d) Reviewing the Company's corporate responsibility policy, ensuring that it is aimed at creating value.
  - e) Monitoring the Company's social responsibility strategy and practices and assessing its degree of compliance.
  - f) Supervising and evaluating relations with different stakeholders.
  - g) Evaluating all matters that relate to the Company's non-financial risks, including operational, technological, legal, social, environmental, political and reputational risks.
  - h) Coordinating the process of reporting non-financial information and information on diversity, in accordance with applicable regulations and international reference standards.

Compliant [ X ]

Partially compliant [ ]

Explain [ ]

54. The corporate social responsibility policy should include the principles or commitments, which the Company voluntarily undertakes in its relationship with the different stakeholders and identify at least:
- a) The objectives of the corporate social responsibility policy and the development of support tools.
  - b) The corporate strategy related to sustainability, the environment and social issues.
  - c) Specific practices in matters relative to: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, tax responsibility, respect for human rights and the prevention of illegal conduct.
  - d) Methods or systems monitoring the results of the implementation of the specific practices identified in the previous point, the associated risks and their management.
  - e) The mechanisms for monitoring non-financial risk, ethics and business conduct.
  - f) The channels of communication, participation and dialogue with stakeholders.
  - g) Responsible communication practices that prevent manipulation of information and protect integrity and honour.

Compliant  Partially compliant  Explain

55. The company should report in a separate document or in the management report on matters related to corporate social responsibility, using any of the internationally accepted methodologies.

Compliant  Partially compliant  Explain

56. Directors' remuneration is what is necessary to attract and retain directors with a desirable profile, to compensate them for the dedication, qualifications and responsibility that the position entails, and to ensure that the amount does not interfere with the independence of non-executive directors' decisions.

Compliant  Explain

57. Executive directors are restricted to variable remuneration linked to the performance of the Company and to their personal performance, as is the remuneration in the form of shares, stock options or rights to shares or instruments that are referenced to the value of the stock and long-term savings systems such as pension plans, retirement schemes or other social security systems.

Delivery of shares as remuneration can be contemplated for non-executive directors on condition that they hold them until they cease to be directors. The foregoing will not apply to shares that the director needs to dispose of, if appropriate, to meet the costs related to acquisition.

Compliant  Partially compliant  Explain

58. In the case of variable remuneration, remuneration policies should include precise limits and technical safeguards to ensure they reflect the professional performance of the recipients and not only the general progress of the markets or the company's activity sector or circumstances of this kind.

And in particular, the variable components of remunerations:

- a) Should be linked to performance criteria that are predetermined and measurable, and these criteria should consider the risk taken to obtain a result.
- b) Should promote the sustainability of the Company and include non-financial criteria that are suitable for creating long-term value, such as compliance with internal rules and procedures of the Company and its policies for control and risk management.
- c) Should be configured on the basis of a balance between compliance with short-term, medium-term and long-term objectives, to remunerate output for continuous performance over a period of time that is sufficient to appreciate the contribution to the sustainable creation of value, in such a way that the items measuring this performance do not focus only on sporadic, occasional or extraordinary facts.

Compliant  Partially compliant  Explain  Not applicable

59. The payment of a significant part of the variable components of remuneration should be deferred for a period sufficient to ensure that the previously established minimum performance conditions have been met.

Compliant  Partially compliant  Explain  Not applicable

60. In the case of remuneration linked to company earnings, deductions should be computed for any qualifications stated in the external auditor's report.

Compliant  Partially compliant  Explain  Not applicable

61. A significant percentage of the variable remuneration of executive directors should be linked to the delivery of shares or financial instruments referenced to their value.

Compliant  Partially compliant  Explain  Not applicable

62. Once the shares or options or rights over shares corresponding to the remuneration systems are allocated, directors will not be able to transfer ownership of a number of shares equivalent to twice their fixed annual remuneration, or to exercise the options or rights until at least three years have elapsed since they were allocated.

The foregoing will not apply to shares that the director needs to dispose of, if appropriate, to meet the costs related to acquisition.

Compliant  Partially compliant  Explain  Not applicable

63. Contractual agreements include a clause that allows the Company to claim reimbursement of variable components of remuneration when payment has not been adjusted to the return conditions or when they have been paid based on data that are subsequently credited with inaccuracy.

Compliant  Partially compliant  Explain  Not applicable

[ No more methods are planned other than those foreseen in the applicable commercial regulations. ]

64. Payments for contract termination do not exceed the established amount equivalent to two years of total annual remuneration and they are not paid until the Company has been able to verify that the director has met the performance criteria previously established.

Compliant  Partially compliant  Explain  Not applicable

[ Severance payments for contract termination will be an amount equal to the accrued and vested part of the annual variable remuneration, as appropriate, and regarding the deferred part, the total amount of the deferred payment, and in the event of a resignation, the accrued and vested part of the annual variable remuneration, as appropriate, in accordance with the regulations, until the date of contract termination. ]



**H. OTHER INFORMATION OF INTEREST**

1. If you consider that there is any material aspect or principle relating to the Corporate Governance practices followed by your company that has not been addressed in this report and which is necessary to provide a more comprehensive view of the corporate governance structure and practices at the company or group, explain briefly.
2. Any other information, clarification or observation related to the above sections of this report may be included in this section insofar as they are relevant and not repetitive.

Specifically indicate whether the company is subject to corporate governance legislation from a country other than Spain and, if so, include the compulsory information to be provided when different to that required by this report.

3. Also state whether the company voluntarily subscribes to other international, sectorial or other ethical principles or standard practices. If applicable identify the code and date of adoption. In particular, it will be specified whether the Company has adhered to the Code of Good Tax Practice of 20 June 2010:

A.2. On 29/12/2017 the company GLOBAL PORTFOLIO INVESTMENTS SL agreed to carry out a capital increase in the form of a contribution in kind that was subscribed by INDUMENTA PUERI SL by contributing the 2,131,232 shares it owned in Renta 4 Banco. Upon this capital increase, the (direct) shareholder of Renta 4 Banco became GLOBAL PORTFOLIO INVESTMENTS SL.

C.1.1. At the General Shareholders' Meeting held on 29 April 2019, it was agreed, under item 4.1 of the agenda, to set the number of members of the Board of Directors at 15. Notwithstanding the above, during the months of October and November 2019, three directors resigned, in accordance with the provisions of section C above, giving rise to a Board of Directors with 12 members, with three vacancies on the Board at 31 December 2019.

C.1.3. In relation to the changes that have occurred in the category of each director during the 2019 fiscal year, it is reported that Mr. Eduardo Trueba was moved to the category of "Other external director", at the Board of Directors meeting of 29 October 2019, as he had exceeded the maximum period of 12 years since his appointment to maintain his status as an independent director. However, as indicated in this report, this director resigned from his position on 19 December 2019.

C.1.12. The Company's Board Regulations do not specify a maximum number of boards on which the Company's directors may sit but such limit is set forth in the regulations applied to the Company as a credit entity. For this reason, the principle given by the recommendation is met. In other words, the directors should devote sufficient time to efficiently perform their duties and to know the Company's business and the governance rules that govern it and they meet its purpose despite not fully observing the recommendation and all the directors are aware of the limits set in the regulations in this regard.

This annual corporate governance report was approved by the Company's Board of Directors at its meeting held:

[ 17/03/2020 ]

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

[ ] Yes  
[ v ] No