

Alcobendas, June 23, 2020

In accordance with article 227 of the consolidated text of the Spanish Stock Market Act approved by the Legislative Royal Decree 4/2015 of 23 October, Codere S.A. hereby informs of the following:

## **OTHER RELEVANT INFORMATION**

The Board of Directors of Codere has resolved to convene the Annual General Shareholders' Meeting to be held at the Company's head office located at Avda. de Bruselas 26, 28108 Alcobendas, Madrid, at 16:00 on July 24, 2020, on first call and at the same time and place on July 25, 2020, on second call. Attendance to this meeting may also be done remotely or telematically under the terms indicated in the announcement of call.

Attached you will find the call and agenda for the Meeting, which shall be published in the coming days pursuant to the legal and statutory requirements, as well as the full text of the proposals of agreements which the Board of Directors submits in connection with the various points of the aforementioned agenda.

The announcement, proposal of resolutions and other materials shall be available to shareholders at the Company's registered office and online at the Company's website [www.grupocodere.com](http://www.grupocodere.com) from the date of the announcement.

Kind regards

Luis Argüello Álvarez  
Non-director secretary of the board of directors

English translation for information purposes. Spanish version shall prevail.

## NOTIFICATION OF THE ORDINARY AND EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS OF CODERE S.A

The Board of Directors of "CODERE Sociedad Anónima", by resolution adopted on 22 June 2020, has agreed to call the shareholders to the Ordinary and Extraordinary General Meeting of Shareholders to be held at the company's registered office, located at 28108, Alcobendas (Madrid), Avda. de Bruselas 26, at 16:00 hours on July 24, 2020, on first call, and at the same time and place, on July 25, 2020, on second call, in accordance with the following

### AGENDA

#### **ONE** - Annual accounts and company management.

- 1.1. Examination and approval of the annual financial statements (balance sheet, income statement, statement of changes in net equity, the cash flow statement and notes thereto), and the management report of CODERE, S.A., and of the annual financial statements (balance sheet, income statement, the statement of comprehensive income, statement of changes in net equity, the cash flow statement and the notes thereto) and the management report of its consolidated group of companies, for the year ended 31 December 2019.
- 1.2. Examination and approval, as the case may be, of the non-financial information statement for the year ended 31 December 2019.
- 1.3. Examination and approval, as the case may be, of the performance of the Board of Directors during the year ended 31 December 2019.

**TWO.**- Examination and approval of the proposed distribution of profit for the year ended 31 December 2019.

#### **THREE** - Re-election of directors. The following proposals shall be subject to a separate vote:

- 3.1. Re-election of Mr. Norman R. Sorensen Valdez as an Independent Director
- 3.2. Re-election of Mr. Matthew Turner as Independent Director.
- 3.3. Re-election of Mr. David Reganato as Nominee Director.
- 3.4. Re-election of Mr. Timothy Lavelle as Nominee Director.
- 3.5. Re-election of Mr. Manuel Martínez-Fidalgo Vázquez as Nominee Director.
- 3.6. Re-election of MASAMPE S.L. as Nominee Director.

**FOUR.**- Reduction of capital by reducing the nominal value of the shares and creation of a non-disposable reserve in accordance with article 335 c) of Spanish Company Law.

- 4.1. Agreement on the reduction in capital.
- 4.2. Modification of article 5 of the Corporate Bylaws
- 4.3. Delegation of powers to the board of directors.

**FIVE.**- Modification of section 9 of article 24 of the Corporate Bylaws.

**SIX.**- Setting of the maximum amounts to be paid to the directors.

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**SEVEN.-** Approval, if appropriate, of the modification of sections 4 and 5 of the current policy on directors' remuneration, applicable to the 2019, 2020 and 2021 financial years, and modification of the maximum global annual amount of directors' remuneration.

**EIGHT.-** Authorization to enable the Board of Directors to acquire own shares either directly or through other group companies.

**NINE -** Approval of the fifteen-day period for calling Extraordinary General Meetings under the terms of Article 515 of the Spanish Capital Companies Act.

**TEN.-** Delegation of powers to formalise, interpret, amend and enforce the resolutions adopted in the General Shareholders' Meeting.

## **POINTS OF AN ADVISORY OR INFORMATIVE NATURE**

**ELEVEN.-** Vote, in an advisory capacity, on the 2019 Remuneration Policy Report.

**TWELVE.-** Information on the modification of the Regulations of the Board of Directors of the Company.

At the request of Masampe, S.L. (shareholder representing more than three percent of the share capital) under the provisions of Article 168 of the Spanish Capital Companies Act, the following are included

## **POINTS REQUESTED AT THE REQUEST OF THE SHAREHOLDER MASAMPE S.L.**

**THIRTEEN.-** Termination of the Independent Director Mr. Norman R. Sorensen Valdez.

**FOURTEEN.-** Termination of the Independent Director Mr. Matthew Turner.

**FIFTEEN.-** Termination of the Nominee Director Mr. Timothy Lavelle.

**GENERAL RECOMMENDATION.** As a result of the health crisis caused by COVID-19, the Company recommends that shareholders participate in the General Meeting remotely, granting proxy or casting their vote prior to the meeting, or by remote attendance, without physically attending the venue where the meeting is to be held.

If on the date the General Meeting is expected to take place, the current measures in force, in similar terms, persist, or the limitations to the possibilities of movement and meeting are restricted or recommended in some way, the General Meeting will be held without the physical or in-person attendance of the shareholders, their representatives or guests, in which case only attendance through remote attendance mechanisms will be possible.

In this case, shareholders will be informed by means of the publication of a complementary announcement to this call, at least five calendar days before the date of the meeting. In any case, the Company will inform in a timely manner of any other measures that may be necessary based on the resolutions or recommendations that may be issued by the competent authorities, through its website [www.grupocodere.com](http://www.grupocodere.com) or by any other means that may be necessary, depending on the scope of the measures.

The members of the Board of Directors must physically attend the General Meeting under the terms established in Article 180 of the Spanish Capital Companies Act. In the event that, as a result of the measures adopted to avoid health risks, in Spain or in their countries of residence, some or all of the directors are unable (or are not recommended) to travel physically to the place where the Meeting is to be held, the Board of Directors will arrange the necessary technical means to enable them to connect remotely in real time and participate in the meeting by remote communication means.

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**SUPPLEMENT TO THE CALL AND PROPOSALS FOR AGREEMENTS:** In accordance with the provisions of article 519 of the Revised Text of the Spanish Capital Companies Act, shareholders representing at least three percent of the share capital may request the publication of a supplement to the present call to the General Meeting by including one or more items on the agenda, provided that the new items are accompanied by a justification or, where appropriate, a justified proposal for a resolution. In addition, shareholders representing at least three percent of the share capital may submit justified proposals on matters already included or to be included in the agenda of the meeting. The exercise of these rights must be made by means of reliable notification to be received at the registered office, for the attention of the Secretary of the Board of Directors (Mr. Luis Argüello Álvarez Avda. de Bruselas 26, 28108 Alcobendas, Madrid) within five days of the publication of this notice, indicating: i) the identity of the shareholder exercising the right; ii) the number of shares held; iii) the attendance card or certificate issued by the corresponding depository entities proving ownership of the shares on the date of the notice; iv) the full text of the reasoned proposals for matters included or to be included on the agenda; v) any other relevant document. The complementary notification shall be published no later than 15 days prior to the date of the Meeting.”

The company will ensure the dissemination of these proposed agreements and any accompanying documentation among the rest of the shareholders by posting them on the corporate website.

**ATTENDANCE AND VOTING RIGHTS:** Physical attendance: In accordance with Article 11 of the Articles of Association, shareholders holding one hundred or more shares shall have the right to attend the General Meetings of the company, provided that the shares are registered in their name in the corresponding register of account entries, at least five days prior to the date on which the meeting is to be held. They must also prove their status as shareholders with a document that, in accordance with the law, serves this purpose. For the exercise of the right to attend the Meeting, the grouping of shares shall be lawful. Each share will be entitled to one vote, although in no case may the same shareholder, the companies belonging to the same group or those acting in concert with the previous, issue in a General Shareholders' Meeting, a number of votes greater than those corresponding to shares that represent a percentage of 44% of the share capital, even when the number of shares held exceeds said percentage of the share capital, without prejudice to the provisions of article 527 of the Spanish Capital Companies Act. This limitation does not affect the votes corresponding to the shares in respect of which a shareholder holds the representation as a consequence of the provisions of article 13 of the Articles of Association, although, in relation to the number of votes corresponding to the shares of each represented shareholder, the previously established limitation shall also apply.

b) Remote attendance and voting: Shareholders entitled to attend and their representatives may attend and vote at the General Meeting through a platform installed in the Company's website [www.grupocodere.com](http://www.grupocodere.com), link “2020 Shareholders' Meeting” section “Attendance to the Shareholders Meeting”, following the instructions and rules set out in the document "Rules on Electronic Attendance at the General Meeting", which the Board of Directors has approved on the occasion of the Meeting and which is available to shareholders together with the other documentation of the Meeting and which can be found on the corporate website [www.grupocodere.com](http://www.grupocodere.com). To access and use the system, shareholders must first register as users, evidencing their identity and the shares they hold.

c) Early remote voting: Shareholders may vote remotely in advance and will be counted as present for the purposes of constituting the meeting. Early remote voting may be exercised by post or electronic means, and in any case must be received at least five days before the date scheduled for the meeting on first call, those received later not counting:

- By postal correspondence: In accordance with the Law and the Articles of Association, shareholders may exercise their right to vote on proposals regarding items on the agenda by postal correspondence, for which purpose they must send the duly completed and signed attendance card to the Company, directly (Secretaría General, Avda. De Bruselas 26, 28108 Alcobendas, Madrid), or through the depository institutions.

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- By electronic means: Votes may also be cast by mail through electronic means, via a platform installed on the Company's website, [www.grupocodere.com](http://www.grupocodere.com), link "2020 Shareholders' Meeting" section, section "Remote voting" which will be active from the date of publication of the notice of the General Meeting. In order to access and use the System, shareholders must register as users, proving their identity and status as shareholders.

**REPRESENTATION:** Shareholders with the right to attend the meetings may delegate said right upon a proxy which does not need to be another shareholder provided said proxy has sufficient powers of representation. Proxies must be specific for the particular meeting and presented in writing. Such representation shall always be revocable. Personal attendance to the meeting shall be deemed to be the revocation of any proxies granted.

Unless otherwise indicated by the shareholder, proxies shall be extended to matters not on the agenda but which may be voted at the meeting, in which case the proxy shall cast the vote in the manner they consider most favourable to the interests of the Company and the represented party. The same rule shall apply in relation to proposals that may be submitted for decision by the Shareholders and that have not been formulated by the Board of Directors, as well as in the case of proxies validly granted, without express voting instructions. If the document containing the proxy does not include the identity of the representative, the shareholder shall be deemed to have appointed the Chairman, Secretary or Vice-Secretary of the Board, as their representative, in that order, in case of absence or in case of a conflict of interest. Likewise, in the event that the power of representation received with no voting instructions is granted to any of the aforementioned individuals and they have a conflict of interest, the power of representation shall be understood to have been granted to the corresponding remaining person, also following the order in which they have been listed. It is noted that the Chairman has a conflict of interest in points 3.1. and 13.

a) Appointment of representative by postal correspondence: the attendance card issued by the Iberclear participant, duly signed and completed in the corresponding section by the shareholder, shall be sent to the Company's address (Secretaría General, Avda. De Bruselas 26, 28108 Alcobendas, Madrid).

b) Appointment of a representative by electronic correspondence, through a platform installed in the Company's website ([www.grupocodere.com](http://www.grupocodere.com)), link "2020 Shareholders' Meeting" section "Representation" following the rules and instructions set out there. Appointment of a representative by electronic means, shall be deemed to be accepted by the representative should he attend in person or telematically to the Meeting. To access and use the system, shareholders must first register as users, evidencing their identity and the shares they hold.

**SHAREHOLDER RIGHT TO INFORMATION:** Shareholders may request information or clarification from the directors up to five days prior to the date scheduled for the meeting, or submit written questions on the items on the agenda, as well as any clarifications they consider necessary regarding the information accessible to the public that the company has provided to the National Securities Market Commission since the last General Meeting was held and regarding the auditor's report. The Board of Directors empowers the Chief Executive Officer, the Director of Investor Relations, the Secretary and the Deputy Secretary to respond to requests for information on behalf of the Board.

Likewise, the shareholders are informed of their right to examine at the registered office the documentation affecting the agenda that will be submitted for approval by the Ordinary General Meeting, including, among others:

- a) the text of this notice;
- b) the full text of the proposed resolutions and the reports of the Board and its Committees on the items on the agenda that require it, as well as the proposed resolutions and justification of items Thirteen, Fourteen and Fifteen sent by Masampe S.L;
- (c) the Annual Financial Statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes thereto) of the Company for 2019;

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- d) the Annual Financial Statements (balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes thereto) of the Consolidated Group for 2019;
- e) the management report and the report of the Auditors of the Company and its Consolidated Group, all of which refer to the 2019 financial year.
- (f) declaration of responsibility.
- g) Reports of the Board and the Appointments, Remuneration and Corporate Governance Committee on the re-election of directors.
- h) Report of the Board justifying the reduction of share capital.
- i) Report of the Board justifying the modification of the Articles of Association
- j) Consolidated text of the Remuneration Policy following the proposed amendments.
- k) Report of the Appointments, Remuneration and Corporate Governance Committee on the proposed removal of Directors.
- l) Annual Report on Directors' Remuneration corresponding to year 2019.
- m) Annual report of the Audit Committee.
- n) Annual Report of the Compliance Committee.
- ñ) Report of the Appointments, Remuneration and Corporate Governance Committee
- o) Report on auditor independence.
- p) Integrated report 2019 Non-Financial Information Report.
- q) the total number of shares and voting rights on the date of the notice.
- r) Attendance and proxy card sample and indication of the means and procedures for obtaining these.
- s) Indication of the means and procedures to grant proxy at the General Meeting.
- t) an indication of the means and procedures for remote communication.
- u) access information.
- v) Rules on remote attendance to the General Meeting.
- w) Additionally, shareholders are advised that the Annual Corporate Governance Report for 2019, approved by the company's Board of Directors at its meeting on 27 February 2020, is available to shareholders at the company's registered office and can be accessed online through the company's website.

In view of the limitations in force at any given time, arising from the situation generated by COVID-19 health crisis, it is recommended that shareholders who wish to obtain a copy of all or any of the documents indicated above send their request by e-mail to [Juntageneral@codere.com](mailto:Juntageneral@codere.com), since while such limitations exist, they may make it impossible for shareholders to attend and access the Company's registered office.

All the texts and documents of the General Meeting may be consulted and obtained on the company's website [www.grupocodere.com](http://www.grupocodere.com) in accordance with the provisions of article 518 of the Revised Text of the Spanish Capital Companies Act, with the same right to obtain the delivery or sending of copies of all the documents free of charge.

**INTERVENTION OF NOTARY PUBLIC.-** The Board of Directors has agreed to require the presence of a Notary Public to certify the minutes of the meeting in conformity with article 203 of the Revised Text of the Spanish Capital Companies Act with reference to articles 101 and 103 of the Regulations of the Mercantile Registry.

**DATA PROTECTION.-** The personal data of the shareholders and, if applicable, their representatives will be processed by the company CODERE, S.A. (hereinafter, CODERE) with Corporate Tax Identification number A-82110453 and registered office in Alcobendas (28108 Madrid), Avenida de Bruselas, no. 26, for the purpose of managing the holding of the General Meeting of Shareholders, which involves activities such as: i) The identification of the shareholder and, if applicable, the representation through which they act; ii) The registration of the interventions/questions and, if applicable, the direction of the vote. The development of this purpose is protected as it is necessary to comply with the regulations for capital companies and the Bylaws of CODERE. Shareholders and their representatives are also informed that the General Shareholders' Meeting might be held by electronic means, in person, or in both ways. Any case it will be recorded in order to guarantee their

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security and to generate an audiovisual record of the different interventions that may take place during the meeting. The data may be communicated to the Notary who will attend the General Shareholders' Meeting, as well as to those third parties who have a recognised right to information under the Law, or if the data is accessible to the public insofar as it is contained in the documentation available in the corporate communication tools, such as the website [www.grupocodere.com](http://www.grupocodere.com), annual reports or similar. The data will be kept for the time necessary to fulfil the purpose for which it was collected. The holders of the data can exercise their rights of access, rectification, opposition, suppression, portability and limitation to the treatment by e-mail to [proteccion.datos.es@codere.com](mailto:proteccion.datos.es@codere.com) or by postal communication to the registered office, indicating the reference "Data Protection" and accompanying the required documentation. They also have the right to lodge a complaint with the Supervisory Authority (in Spain, the AEPD).

**ELECTRONIC SHAREHOLDERS' FORUM** - In accordance with the provisions of Article 539.2 of the Spanish Capital Companies Act, an Electronic Shareholders' Forum has been set up on the company's website [www.grupocodere.com](http://www.grupocodere.com), which may be accessed by both individual shareholders and any voluntary associations that may be set up, in order to facilitate communication prior to the holding of the meeting. With the requirements, formalities and consequences that are established in the legal rules that in each case are applicable to this Shareholders' Forum, the initiatives to achieve a sufficient percentage to exercise a minority right provided for by law and offers or requests for voluntary representation may be published. The instructions for accessing the Electronic Forum, as well as its rules of operation, can be found on the aforementioned website.

Madrid on July 22 2020.- The Chairman of the Board of Directors, Norman Sorensen Valdez.

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**PROPOSED RESOLUTIONS OF THE BOARD OF DIRECTORS TO BE SUBMITTED TO THE ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS MEETING OF CODERE S.A., TO BE HELD ON FIRST CALL ON JULY 24 2020 OR, ON SECOND CALL, ON JULY 25, 2020.**

**ONE.- Annual accounts and corporate management.**

**1.1. Examination and approval of the annual accounts (balance sheet, profit and loss account, statement of changes in net wealth, cash flow statement and annual report) and management report of CODERE, S.A., and of the annual accounts (balance sheet, profit and loss account, statement of comprehensive income, statement of changes in net wealth, cash flow statement and annual report) and management report of its consolidated corporate group, for the financial year ended December 31, 2019.**

**1.2. Examination and approval of the Non-financial statement for the financial year ended December 31, 2019.**

**1.3. Examination and approval of the Board of Directors' management during 2019.**

1.1. To approve the Annual Accounts (balance sheet, profit and loss account, statement of changes in net wealth, cash flow statement and annual report) and the Management Report of the company CODERE S.A. and the consolidated Annual Accounts (balance sheet, profit and loss account, statement of comprehensive income, statement of changes in net wealth, cash flow statement and annual report) and Management Report of its corporate group, for the financial year ending December 31, 2019, formulated by the company's Board of Directors at its meeting of February 27, 2020.

A copy of the Accounts and Reports, to include the auditors' verification report, will be filed for deposit at the Commercial Registry, along with a certification of this resolution and the one related to the allocation of results, referred to in Art. 279 of the Consolidated Version of the Capital Stock Companies Act.

1.2. To approve the non-financial statement for the financial year ended December 31, 2019, included in the Management Report of CODERE S.A. and formulated by the Board of Directors at its meeting of February 27, 2020.

1.3. To approve the management carried out by Codere S.A.'s Board of Directors during the 2019 financial year, ended December 31, 2019.

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## **TWO.- Examination and approval of the proposed allocation of results of the financial year ending December 31, 2019.**

In light of the proposal made by the management body, to approve the allocation of results for the financial year ended December 31, 2019, as follows (figures in thousands of Euros):

Distributable base:

Balance in the profit and loss account	(7,341)
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Allocation:

To negative results of previous years	(7,341)
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**THREE.- Re-election of Directors. The following proposals will be separately voted upon:**

- 3.1. Re-election of Mr. Norman R. Sorensen Valdez, as an Independent Director.**
- 3.2. Re-election of Mr. Matthew Charles Turner, as an Independent Director.**
- 3.3. Re-election of Mr. David Reganato, as a Proprietary Director.**
- 3.4. Re-election of Mr. Timothy Lavelle, as a Proprietary Director.**
- 3.5. Re-election of Mr. Manuel Martínez-Fidalgo Vázquez, as a Proprietary Director.**
- 3.6. Re-election of Masampe S.L. as a Proprietary Director.**

3.1. Re-elect, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, and after a report from the Board of Directors, Mr. Norman R. Sorensen Valdez as Independent Director, for the maximum legal and by-law term of two (2) years.

3.2. Re-elect, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, and after a report from the Board of Directors, Mr. Matthew Turner as Independent Director, for the maximum legal and by-law term of two (2) years.

3.3. Re-elect, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, and after a report from the Board of Directors, Mr. David Reganato as Proprietary Director, for the maximum legal and by-law term of two (2) years.

3.4. Re-elect, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, and after a report from the Board of Directors, Mr. Timothy Lavelle as Proprietary Director, for the maximum legal and by-law term of two (2) years.

3.5. Re-elect, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, and after a report from the Board of Directors, Mr. Manuel Martínez-Fidalgo Vázquez as Proprietary Director, for the maximum legal and by-law term of two (2) years.

3.6. Re-elect, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, and after a report from the Board of Directors, Masampe S.L. (represented by Mr. Pío Cabanillas Alonso) as Proprietary Director, for the maximum legal and by-law term of two (2) years.

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## **FOUR.- Reduction of capital by reducing the par value of the shares**

In accordance with the report issued by the Board of Directors on June 22, 2020, pursuant to article 286 of the Spanish Companies Law (*Ley de Sociedades de Capital* - "LSC") (the "Report"), in order to create an unavailable reserve, to reduce the share capital of the Company by 450,445,638.8 euros by reducing the par value of each and every one of the shares currently outstanding of the Company, by 3.80 euros per share. Accordingly, after such reduction, the share capital of the Company will be FIFTY-NINE MILLION TWO HUNDRED AND SIXTY-NINE THOUSAND ONE HUNDRED AND SIXTY-THREE EUROS, i.e., 0.50 euros per share.

The purpose of the reduction of capital is to benefit the placing in the market of the shares that may be issued in the context of the performance of one or more increases of capital affording the Board greater flexibility to establish the effective issue price.

This resolution to reduce capital will not have effects on the voting or economic rights of the shareholders, since it will be proportional and will affect equally all the shares in the capital of the Company.

Since it is a reduction of capital without refund of contributions to create or increase the voluntary reserve, such reserve should be unavailable and be created in the same amount as such reduction of capital (i.e., 450,445,638.8 euros) pursuant to article 335. c) LSC, to be available only meeting the same requirements as those established for the reduction of capital depending on the purpose for which it is to be made available. Thus, pursuant to said article, the creditors do not have the right to object to this reduction of capital which would thus become immediately effective upon the decision made by the Shareholders' Meeting (notwithstanding the necessary acts for formalization and the provisions of this resolution).

## **B. AMENDMENT TO ARTICLE 5 OF THE ARTICLES OF ASSOCIATION**

Therefore, article 5 of the Articles of Association of the Company will be restated, on the terms necessary to reflect the amount of the reduction of capital pursuant to section A above, which will be reworded as set out below:

**"ARTICLE 5.** The share capital is FIFTY-NINE MILLION TWO HUNDRED AND SIXTY-NINE THOUSAND ONE HUNDRED AND SIXTY-THREE EUROS (EUR 59,269,163), fully subscribed for and paid up, represented by ONE HUNDRED AND EIGHTEEN MILLION FIVE HUNDRED AND THIRTY-EIGHT THOUSAND THREE HUNDRED AND TWENTY-SIX (118,538,326) shares, each with a par value of FIFTY EURO CENTS (EUR 0.5), represented by book entry".

## **C. DELEGATION OF POWERS TO THE BOARD OF DIRECTORS**

To empower the Board of Directors expressly, as fully as may be feasible by Law, with powers for substitution in any of its members, the Secretary and the Vice-Secretary, notwithstanding any previous delegations or conferrals of powers, to perform any acts and formalities that may be necessary or merely advisable for the execution and successful outcome of the reduction of capital, such powers, in particular, including, but not limited to, those set out below:

- (i) To appear before a Notary Public and execute the relevant public deed for reduction of share capital and make any appropriate arrangements for its entry at the Commercial Registry, including the necessary amendments and rectifications.
- (ii) To prepare, sign, issue and, if appropriate, certify any document relating to the execution of the reduction of capital, to ensure its successful outcome.

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- (iii) To draw up and publish any announcements that may be necessary or advisable relating to this reduction of capital.
- (iv) To file or perform before the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores* - "CNMV"), Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. ("Iberclear"), the Stock Exchange Manager Companies and any other body or entity or public or private registry, either Spanish or foreign, any application, action, statement or formality necessary and to draw up and process the relevant documents for the reduction of the par value of the shares to be duly registered, if appropriate, for the purposes of such entities."

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## **FIVE: Amendment of par. 9 of article 24 of the Bylaws.**

To amend par. 9 of article 24 of the Bylaws, as identified below, in bold and underlined, which if approved, shall have the following wording:

**Article 24<sup>o</sup>.**- 1. *The Company shall be governed and administered by a Board of Directors comprised of a number of members not less than five and not more than fifteen, elected in the General Meeting. Directors may be either natural or legal persons.*

2.- *The Board of Directors shall elect from among its members a Chairman and, if deemed appropriate, one or more Vice Chairmen to substitute the former, in the order they may determine, in cases of absence or illness. The Board of Directors shall also appoint a Secretary and, if deemed appropriate, a Deputy Secretary, who may or may not be members of the Board of Directors, and not having, in the latter case, the right to vote. In the absence of the Secretary and Deputy Secretary, the person appointed by the person chairing the meeting shall serve in said function.*

3.- *Directors shall serve for a period of two years, and may be re-elected for successive periods of equal duration.*

4.- *Persons included in any statutory event of incompatibility, disqualification, incapacity or prohibition for the territorial scope of the Company, both in general and for reasons of the corporate purpose or activities of the Company shall be unable to be directors or to represent directors that are legal persons.*

5.- *The post of Director shall be remunerated. The remuneration to be collected by directors for their status as such will consist of a fixed allocation.*

*The director remuneration policy must necessarily state the maximum amount of annual remuneration to be paid to all of the directors for their status as such.*

*The remuneration for each director, for their status as such, shall be determined by the Board of Directors, having regard to the functions and responsibilities assigned to each director, their membership of Board committees and any other objective factors considered to be relevant.*

*The director remuneration policy must be approved by the Shareholders' Meeting at least every three years as a separate item on the agenda.*

*In any event, director remuneration must be reasonably proportional to the importance of the Company, its economic situation at any given time, and the levels in comparable companies in the market. The remuneration system that is established must be focused on promoting the Company's long-term profitability and sustainability.*

6. *The payments contemplated in this article shall be compatible with, and independent of, salaries, remuneration, compensation, pensions, share options, remuneration systems linked to the value of the shares, or any kind of compensation of a general or individual nature established for those Directors who provide executive or professional services to the Company, regardless of whether the nature of the relationship to the latter concerns employment – ordinary or special senior executives positions – commercial relationships or leasing of services. Such relationships shall be compatible with the individual's capacity as a member of the Board of Directors.*

7. *Remuneration shall be paid in arrears at month's end in such a way that the remuneration of each Director shall be proportional to the time that such Director carries out his or her duties during the year.*

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8. - The Board of Directors of the Company shall draft an annual report on the remuneration of its directors, which include complete, clear and understandable information about the remuneration policy of the Company approved by the Board for the current year and as appropriate, planned for future years. The said report will also include an overall summary of how the remuneration policy was applied during the year and details of the individual remuneration paid to each of the directors. The report adopted by the Board will be disseminated and put to a vote in an advisory capacity and as a separate item on the agenda of the Annual General Meeting of shareholders.

9.- The Company may also arrange civil liability insurance for its Directors **in addition to other systems alternative or supplementary thereto. The Company may also afford liability coverage to the Directors, excluding in any case from such coverage any actions performed by the Directors in gross negligence or to the detriment of the corporate interest of the Company, excluding also the expenses or costs related to such actions in gross negligence or to the detriment of the Company.**

**In any case, the amount of the coverage to be afforded by the Company shall be included in the maximum annual approved by the Shareholders' Meeting and established in the Directors' remuneration policy."**

10.- The Board of Directors shall assemble as often as the interests of Company require, and at least quarterly, on the days agreed thereby or established by the Chairperson, who shall have the power to convene meetings whenever deemed appropriate. A meeting shall be called within the first fifteen days of any request in writing by at least one third of the members of the Board of Directors. Similarly, directors who constitute at least one third of the members of the Board of Directors may directly call a meeting, indicating the agenda for the meeting, in the place of the registered offices, when, without due cause, the Chairperson, fails to duly call a requested meeting within one month of said request.

11.- The notices shall be sent by letter, telegram, fax or email, addressed personally to each director at least five days before the date of the meeting. However, when, in the opinion of the Chairperson, exceptional circumstances so require, the Board may be convened by telephone, fax or email, without observing the advance notice mentioned above.

12.- The Meetings of the Board of Directors shall be validly convened when a majority of the members are present or represented therein.

13.- The Directors may delegate, by written proxy, their attendance and vote to any other Director member of the Board of Directors, except the External Director who can only delegate in another External Director.

14.- Board resolutions shall be adopted by an absolute majority of the votes of the Directors present in person and by proxy, other than in those cases in which a qualified majority is required by the Law, and shall be recorded in the relevant Minutes.

15.- The members of the Board of Directors shall have access at any time, either directly or through duly empowered legal representatives, to the accounting records of the Company for their own information.

16.- The Board of Directors shall regulate its own procedure, accept the resignation tendered by the Directors and, should any vacancies arise during the period for which the members were appointed, the persons to fill such vacancies shall be designated from among the shareholders until the next Shareholders' Meeting is held.

*17.- The Board shall ordinarily assemble at the registered office although it may assemble elsewhere, within the municipal district of the registered office or otherwise, in Spain or abroad.*

*The meetings of the Board of Directors may also be held remotely by teleconference, videoconference or other medium as may exist under the then-current state of the art which allow for the recognition and identification of the participants, ongoing communication among the attendees, regardless of where they are, and the registration of votes. Those attending any of the places mentioned shall be construed, for all purposes, as attending the meeting of the Board concerned. The meeting shall be deemed held in the place where the Chairperson is located.*

*Additionally, if no member of the Board voices his or her opposition, voting may take place in writing without a meeting. In this case, the directors may cast their votes and include any considerations they wish to appear in the minutes by email or by other means.*

*18.- The Board of Directors shall annually evaluate the functioning of the Board and its Committees, and based on its results, the Board of Directors shall propose a plan of action to correct the deficiencies found. The result of the evaluation shall be recorded in the minute of the related meeting or attached thereto as an appendix.*

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## **SIX.- Setting the maximum amounts to be paid to the directors**

On 26 June 2019, the General Meeting of Shareholders of Codere, S.A. established the maximum remuneration limit for all directors in their capacity as such, setting this amount at two million euro.

The Board of Directors has proposed to the Shareholders, under item number Five on the agenda, the amendment of Article 24.9 of the Company's Bylaws, for the reasons set out therein. Basically, the Company is allowed to take out civil liability insurance for its Directors, as well as other alternative or complementary systems. Likewise, the Company may provide liability coverage for the Directors, excluding in all cases the actions of the Directors that are malicious or harmful to the Company's corporate interest, excluding in such cases also the expenses or costs related to such actions.

On the other hand, the new article 24.9 of the Corporate Bylaws (if approved by the Shareholders in General Meeting in the proposed terms), foresees that the maximum amount of the coverage to be provided by the Company for these concepts must be approved by the General Meeting of Shareholders.

For this reason, it is necessary to submit to the Shareholders a maximum amount to be paid by the Company in the event that the liability coverage provided for in Article 24.9 in its new wording is activated.

Thus, the proposal submitted to the Shareholders for their consideration differentiates, on the one hand, the maximum amount of annual remuneration of the directors in their capacity as such, for the performance of their duties, and consisting of a fixed allocation. And, on the other hand, a maximum annual amount relating to possible payments in the event that liability cover is used and which will only cover contingencies, in all cases within the limits established by Article 24.9 of the Bylaws, and whose amount will only be used to cover such contingencies and associated expenses, when and only if they occur.

Based on the above we propose:

1. To agree that the maximum annual amount of the remuneration of all the Company's directors in their capacity as such, for the performance of their duties, and consisting of fixed allocations, will be two million euro, thus maintaining the amount previously agreed by the General Meeting of Shareholders. The Board of Directors will determine the remuneration that corresponds to the non-executive Chairman as well as to each Director in their capacity as such, taking into account the functions and responsibilities attributed to each one, the membership of the Board's committees, the positions held and other objective circumstances that the Board may consider relevant.
2. To set the maximum annual amount relating to possible payments at twenty million euro in the event that use is made of the liability cover provided for in Article 24.9 of the Bylaws, and which will cover exclusively the contingencies provided for in that article, and that amount may be used exclusively to cover such contingencies and associated expenses, when and only if they occur.

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**SEVEN. Approval of the amendment of articles 4 and 5 of the current Remuneration Policy for Directors, applicable for 2019, 2020 and 2021, and amendment of the maximum amount to satisfy all Directors in that condition.**

1. To amend article 4 of the Remuneration Policy which, if approved, will be worded as set out below:

**“4. MAXIMUM ANNUAL REMUNERATION OF THE DIRECTORS IN THEIR CAPACITY AS SUCH**

Pursuant to article 529 septdecies.2 of the Spanish Companies Law, the maximum annual remuneration of the directors in their capacity as such, shall be established by the Shareholders' Meeting, in the Remuneration Policy that it may have approved.

For such purposes, in accordance with the limits established by the Annual Shareholders' Meeting of July 24, 2020, the maximum amount of the remuneration of all the directors of the Company in their capacity as such, for holding office, consisting of fixed amounts, shall be two million euros in the aggregate.

Subject to said limit, the Board of Directors shall establish the remuneration of the non-executive Chairman and of each Director in his capacity as such, taking into account the functions and duties attributed to each one of them, whether or not they are members of Board committees, the offices that they hold and other objective circumstances that the Board may consider relevant.

Said limit does not include payments of civil liability insurance premiums that the Company may have arranged or may arrange in future for its directors, provided that such premiums are arranged on customary market terms, or the refund of current expenses that may be incurred by the Directors to attend meetings of the Board or its Committees, or to discharge their duties as Directors, provided that such expenses are duly evidenced to the Company.

Notwithstanding the above, pursuant to the resolution adopted by the Annual Shareholders' Meeting of July 24, 2020, a maximum annual limit of twenty million euros is also established to meet eventual payments if the coverage of liability contemplated in article 24.9 of the Articles of Association is used, to cover only the contingencies contemplated in said article, such amount to be used only to cover such contingencies of liability and the related expenses, only when and should they occur”.

2. To amend article 5 of the Remuneration Policy which, if approved, will be worded as follows:

**“5. STRUCTURE OF THE DIRECTORS' REMUNERATION FOR THEIR ACTIVITY AS DIRECTORS**

Article 24.5 of the Articles of Association of Codere, S.A., establishes:

*“The remuneration receivable by the Directors in their capacity as such shall consist of a fixed amount.*

*The remuneration policy for the Directors shall necessary contemplate the maximum annual remuneration payable to all the Directors in the aggregate in such capacity.*

*The Board shall establish the remuneration of each Director in his capacity as such, taking into account for such purpose the functions or activities performed by the*

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Directors in the scope of the actions of the Board and its Committees and other objective circumstances that it may consider relevant.

The remuneration policy for the Directors shall be approved by the Shareholders' Meeting every three years at least, as a separate item on the Agenda.

The remuneration of the Directors shall in any case be reasonably proportional to the relevance of the Company, its economic situation from time to time and to the amount paid in peer companies. The established remuneration system shall seek to promote the long-term profitability and sustainability of the Company."

**In addition, article 24.9 of the Articles of Association of Codere, S.A., establishes:**

**"The Company may arrange a civil liability insurance for its Directors, *in addition to other systems alternative or supplementary thereto. The Company may also afford liability coverage to the Directors, excluding in any case from such coverage any actions performed by the Directors in gross negligence or to the detriment of the corporate interest of the Company, excluding also the expenses or costs related to such actions in gross negligence or to the detriment of the Company.***

**In any case, the amount of the coverage to be afforded by the Company shall be included in the maximum annual approved by the Shareholders' Meeting and established in the Directors' remuneration policy."**

Thus, in compliance with the Articles of Association, a remuneration policy is established for the directors in their capacity as such based on a fixed annual amount **acknowledging that the Company may afford the Directors liability coverage.**

**In respect of the fixed annual amount**, it shall differ depending on the Committee(s) of which each Director may be a member, and the different offices that each one of them may hold, and the degree of devotion to the work or responsibility that each one of them may have (such as the position of non-Executive Chairman of the Board). In particular, the Board of Directors, at the proposal of the Appointments, Remuneration and Corporate Governance Committee, shall take into account the following issues when establishing the respective remuneration, limited always and in any case by the maximum annual limit of the remuneration of the directors in their capacity as such in the aggregate established in section 4 above **as the annual fixed amount.**

	<b>Purpose</b>	<b>Items to be remunerated</b>
Fixed Amount	<p>Sufficient to compensate the qualifications, responsibility and dedication but not so high that it may compromise independence.</p> <p>Remunerate the functions of the offices and duties assumed by each Director.</p>	<ul style="list-style-type: none"> <li>- For belonging to the Board.</li> <li>- For belonging to the Audit Committee, differentiating between the office of Chairman and the office of member.</li> <li>- For belonging to the Appointments, Remuneration and Corporate Governance Committee, differentiating</li> </ul>

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		<p>between the office of Chairman and the office of member.</p> <ul style="list-style-type: none"> <li>- For belonging to the Compliance Committee, differentiating between the office of Chairman and the office of member.</li> <li>- Non-executive Chairman.</li> </ul>
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Pursuant to article 24.7 of the Articles of Association, the aforementioned remuneration for each director shall be deemed to accrue monthly in arrears, in a manner such that the remuneration of each Director shall be proportional to the time for which the director in question held office in the year.

The Remuneration Policy applied to the Directors in their capacity as such contemplates the absolute absence of variable components in their remuneration, to encourage their absolute independence from the remuneration payable to senior executives.

In addition, the non-executive Directors may receive the remuneration to which they may be entitled for belonging to certain managing bodies of subsidiaries or investees of Codere S.A. The amount received in the latter companies may not exceed 50,000 euros per annum and director.

**In respect of the coverage that the Company may afford to the Directors, it may be the same or different for each of the Directors. In particular, the Board of Directors shall take into account the following issues when establishing the respective coverage and in any case the maximum annual remuneration established in section 4 above for the coverage of liability.**

	<u>Purpose</u>	<u>General exclusions</u>
<u>Liability coverage</u>	<p><u>Sufficient to cover any liability on conditions similar to the D&amp;O liability policies that Codere, S.A. arranged in past.</u></p> <p><u>Satisfy, with the general exclusions and any others that the Board may establish in accordance with the particular circumstances, the expenses for defense and the compensation imposed on the Directors.</u></p>	<ul style="list-style-type: none"> <li>- <u>Bad faith or gross negligence.</u></li> <li>- <u>Damages caused to Codere S.A. by the directors' management.</u></li> <li>- <u>Expenses for expenses and costs related to the above exclusions.</u></li> </ul>

**The Company shall only afford such coverage if this becomes necessary due to expenses for defense that may be incurred or compensation that may be imposed on**

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the Directors and the Board of Directors considers, after a non-binding consultation to the Appointments, Remuneration and Corporate Governance Committee, that the necessary conditions are met to grant the limited reimbursement in question. Thus, it may not accrue should it not be necessary.

Notwithstanding the approval by the Board of Directors of the appropriateness of a limited reimbursement in a certain event, any of the Directors may waive the right to benefit from it by serving notice to such effect in writing to the Board of Directors.

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## **EIGHT. Authorization to the Board of Directors to acquire own shares, directly or through Group companies.**

1. After nullifying the unused part of the authorisation to acquire own shares, conferred under point four of the agenda of the General Shareholders Meeting held on 27 June 2018, to authorise, pursuant to the provisions of applicable regulations, a derivative acquisition, at any time and as often as deemed appropriate, by Codere, S.A., either directly or through any subsidiaries of which the latter is the controlling company, of fully disbursed own shares, under a sale and purchase or any other legal title for consideration.

The minimum purchase price or consideration shall not be less than 50% of the listed value of the share on that moment and the maximum will be the result of increasing by 20% the listed value of the stock on the purchase date.

This authorisation is granted for a five-year term, as of the date this Meeting is held, and is expressly subject to a limitation, consisting of the face value of own shares acquired further to this authorisation, when added to the value of those already held by Codere, S.A. and any of its subsidiaries, never exceeding the maximum permitted by the Act at all times.

It is expressly stated for the record that this authorisation may be used in whole or in part to acquire own shares in order to be delivered or transferred to company workers or directors, directly or as a consequence of exercising any stock option rights held by the same.

2. To empower the Board of Directors, in the broadest terms, in order to execute the authorisation covered by this resolution and to carry out the other provisions contained therein; such powers may be delegated by the Board of Directors to any Director, to the Secretary or Vice-Secretary of the Board of Directors, or to any other person expressly empowered by the Board of Directors for this purpose.

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**NINE.- Approval of the 15 days advance notice with which the General Shareholders meeting must be convened in accordance to art. 515 of the Spanish Companies Act.**

To approve, in accordance with art. 515 of the Spanish Companies Act, that the Extraordinary General Shareholders meetings may be called with a 15 days of previous notice, provided that the Company provides electronic voting procedures effectively accessible to all shareholders. These resolutions shall be in force until the next Annual General Meeting.

English translation for information purposes. Spanish version shall prevail.



**TEN.- Delegation of powers to formalise, interpret, amend and enforce the resolutions adopted by the General Shareholders Meeting.**

To empower each and every one of the members of the Board of Directors and Secretary and Vice-Secretary of the Board of Directors, in the broadest terms, so that any one of them, indistinctly and jointly and severally, may carry out any steps and actions required, or adopt any measures that may be necessary to successfully enforce the resolutions adopted, including the publication of any necessary announcements, appearing before a Notary Public to formalise the resolutions in a public deed, remedying any defects in the formalisation of such resolutions, following the Commercial Registry's verbal or written comments, taking any steps that may be necessary to ensure that the resolutions adopted are registered at the Commercial Registry, if necessary.

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**ELEVEN.- Consultative vote held on the Annual Directors Remuneration Report for the 2019 financial year.**

Pursuant to the Capital Stock Companies Act and best practices in Corporate Governance, to hold a consultative vote on the Annual Directors Remuneration Report of “Codere S.A.”, which was made available to the shareholders along with the other General Meeting documentation following its announcement date.

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**TWELVE.- Information on the amendment of the Regulations of the Board of Directors of the Company.**

The Company has made available to all shareholders the report on this issue.

English translation for information purposes. Spanish version shall prevail.



**THIRTEEN.- Removal of the Independent Director D. Norman R. Sorensen Valdez.**

To remove Mr. Norman Sorensen Valdez from office as director of the Company.

English translation for information purposes. Spanish version shall prevail.



**FOURTEEN.- Removal of the Independent Director D. Matthew Turner.**

To remove Mt. Matthew Turner from office as director of the Company.

English translation for information purposes. Spanish version shall prevail.



**FIFTEEN.- Removal of the Proprietary Director D. Timothy Lavelle.**

To remove Mr. Timothy Lavelle from office as director of the Company.

English translation for information purposes. Spanish version shall prevail.