



A LA COMISIÓN NACIONAL DEL MERCADO DE VALORES

In accordance with the provisions of Article 227 of the *Ley del Mercado de Valores*, Atresmedia Corporación de Medios de Comunicación, S.A. hereby notifies the following

RELEVANT INFORMATION

Proposals of the resolutions that the Board of Directors has decided to submit for the consideration by the Ordinary Shareholders' General Meeting, called today, which will be initially held on 28th April 2021, are attached to this document.

Madrid, 26th March 2021

**ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A.****PROPOSALS OF RESOLUTIONS SUBMITTED BY THE BOARD OF DIRECTORS TO THE APPROVAL OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS 28/29 APRIL 2021****Proposals concerning item 1 of the agenda****Annual accounts, management reports, allocation of the profit obtained and corporate management in connection with year 2020.****1.1. Scrutiny and approval of the annual accounts and management report of Atresmedia Corporación de Medios de Comunicación, S.A., both on an individual and on a consolidated basis, for the year ended on 31st December 2020.**

Approval, according to the terms reflected in the legal documentation, of the annual accounts and management of Atresmedia Corporación de Medios de Comunicación, S.A. for year 2020, both on an individual and on a consolidated basis, as they have been formulated by the Board of Directors.

1.2. Approval of the Statement of non-financial information as at 31st December 2020, which forms part of the consolidated management report.

Approval of the Statement of non-financial information as at 31st December 2020, which forms part of the consolidated management report.

1.3. Approval of the proposal concerning the appropriation of the profit obtained in 2020.

Approval of the proposal concerning the appropriation of the profit obtained in 2020, considering that the net profit obtained, after the provision for corporate income tax for that year, amounted to Euro 35,647 thousand, that will be allocated to voluntary reserves.

1.4. Approval of the corporate management by the Board of Directors in 2020.

Approval of the corporate management by the Board of Directors in 2020.

Proposal concerning item 2 of the agenda**Re-election of the company KPMG AUDITORES S.L. as the external auditors of Atresmedia Corporación de Medios de Comunicación, S.A. and its consolidated group of companies for 2021.**

Re-election of the company KPMG AUDITORES S.L. as the external auditors in charge of the scrutiny of the annual accounts of Atresmedia Corporación de Medios de Comunicación, S.A. and its consolidated group of companies for 2021.

Proposals concerning item 3 of the agenda**Appointment of independent Directors.****3.1. Appointment of Ms. Rosa María Lleal Tost as Director of the Company.**

Appointment of Ms. Rosa María Lleal Tost as independent director of Atresmedia Corporación de Medios de Comunicación, S.A., for a term of four years established in the corporate bylaws.

3.2. Appointment of Ms. Beatriz Roger Torres as Director of the Company.

Appointment of Ms. Beatriz Roger Torres as independent director of Atresmedia Corporación de Medios de Comunicación, S.A., for a term of four years established in the corporate bylaws.



Proposals concerning item 4 of the agenda

Remuneration of Directors and other Managers.

4.1. Long-term variable remuneration plan with share delivery for executive Directors and Managers of the Atresmedia Group.

*Approve a Long-Term Variable Remuneration Plan with delivery of shares for executive Directors and Managers under the terms proposed by the Appointments and Remuneration Committee as set forth in the report attached as **ANNEX 1**, which has been approved by the Board of Directors and which shall form part of the resolution for all purposes.*

4.2. Approval of the Remuneration Policy for the Directors of the Company.

*Approval of the Remuneration Policy for the directors of Atresmedia Corporación (hereinafter, the "Remuneration Policy") for the years 2021 to 2023, as proposed in the detailed opinion attached as **ANNEX 2** hereto, which has been endorsed by the Board of Directors and was prepared by the Appointments and Remuneration Committee, therefore approving the Remuneration Policy (which is attached in this report) and which forms part of this resolution for all purposes.*

Proposal concerning item 5 of the agenda

Delegation of powers to formulate, construe, make good and enforce the resolutions adopted by the General Meeting, and to replace the powers granted to the Board of Directors by the Meeting.

To authorise the Board of Directors of the Company, as broadly as required by law and with express powers of delegation to the Chairman of the Board of Directors, the Chief Executive Officer, The Secretary and the Deputy Secretary of the Board, so that either the Board of Directors or any of them, joint and severally, may indistinctly carry out any actions deemed appropriate in connection with the formulation, construction, amendment and full enforcement of the resolutions adopted by this General Meeting.

Proposal concerning item 6 of the agenda

Advisory vote on the Annual Report on the remunerations received by the Directors 2020.

To vote, on an advisory basis, on the Annual Report on the remunerations received by the Directors of Atresmedia Corporación de Medios de Comunicación, S.A. in 2020.



ANNEX 1

EXPLANATORY REPORT ATTACHED TO THE PROPOSAL SUBMITTED BY THE BOARD OF DIRECTORS OF ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A. CONCERNING THE APPROVAL OF A LONG-TERM VARIABLE REMUNERATION PLAN FOR DIRECTORS AND MANAGERS OF THE ATRESMEDIA GROUP

Reasons for the proposal concerning item 4.1 of the Agenda

This report has been prepared by the Board of Directors, in the meeting held on 24th March 2021, and will be attached to the proposal for a resolution approving a long-term Remuneration Plan, involving the distribution of shares, aimed at the executive directors and managers (the "**Remuneration Plan**" or the "**Plan**") which will be submitted for approval to the Ordinary General Meeting of Shareholders, that will presumably be held in first call on 28 April 2021, according to the provisions of article 529 *quince* paragraph 3 g) of Royal Legislative Decree 1/2010, of 2 July, approving the consolidated text of the Corporations Act (the "Corporations Act") and articles 25 and 31 of the Regulations governing the operation of the Board of Directors of the Company.

The Appointments and Remunerations Committee has submitted to the Board of Directors a proposal for the adoption of the Remuneration Plan by the Company since, in the opinion of the Committee, such Plan would allow to meet the following objectives:

- (a) Align the remuneration of executive directors and certain managers with the corporate strategy, the generation of value for shareholders and the long-term interests and sustainability of the Company and its consolidated group. To that effect, a series of clear, complete and differentiated financial and non-financial performance criteria have been established, and it has been decided that the Remuneration Plan will be partly settled through de distribution of shares of the Company, in an effort to potentiate the profitability and diversification of the business and comply with the sustainability targets (ESG).
- (b) Introduce competitive formulae, in terms of variable remuneration and long-term incentives, seeking to retain and motivate the key members of the management team.
- (c) Reinforce the commitment and motivation of the executive directors and key members of the management team, which in turn fosters the generation of a long-term value for shareholders which exceeds their expectations.
- (d) Provide the necessary guarantees and precautions concerning the correction of the payments of the variable remuneration, including allowing a reasonable period of time to elapse before the payment, in order to sufficiently verify the effective fulfilment of the targets set, as well as a clause.

In the light of the above, it may be inferred that the implementation of the Remuneration Plan will bring significant advantages for the Atresmedia Group in terms of motivation, commitment and retention of the Beneficiaries.

The Board of Directors shares this view of the Appointments and Remunerations Committee regarding the advantages entailed by the approval of the Plan, and consequently, the Board proposes to the General Meeting of shareholders:

"4.1 *Approve a Long-Term Variable Remuneration Plan with delivery of shares for Executive Directors and Managers under the terms proposed by the Appointments and Remuneration Committee as set forth in the report attached as **Annex**, which has been approved by the Board of Directors and which shall form part of the resolution for all purposes".*



Annex

Description of the long-term variable incentive Plan for Executive Directors and Managers, involving the distribution of shares (Remuneration Plan)

The Remuneration Plan has been designed as a long term incentive plan linked to the performance of the Atresmedia Group, consisting of the distribution of certain amounts among its beneficiaries, partly as cash payments and partly through the allotment of company shares, the amount of which will be dependent upon the achievement of the different financial and non-financial targets set out in the Remuneration Plan. The main elements of the Plan are described below:

- (a) **Beneficiaries.** The Beneficiaries of the Remuneration Plan will be the executive directors of the Company and certain managers of the Atresmedia Group appointed by the Board of Directors of the Company (together, the "**Beneficiaries**").
- (b) **Type of incentive and non-consolidated nature.** Beneficiaries will be entitled to receive a sum, whose amount will be dependent upon the achievement of the financial and non-financial targets described in the Remuneration Plan and the compliance with the requirement to stay at the Company. This amount will be paid in cash and in shares of the Company, according to the ratio established in the Remuneration Plan.

The right of the Beneficiaries to receive the amounts set out in the Remuneration Plan, the distribution of such amounts and the additional benefits in favour of the Beneficiaries included in, or arising from the remuneration Plan will not be considered consolidated rights of the Beneficiaries.

- (c) **Term.** The Remuneration Plan will be effective as from its approval by the Ordinary General Meeting of Shareholders scheduled for 28th April 2021, and will expire four years later, on 28th April 2025. The Plan comprises two differentiated periods:
- i) **Achievement period:** in turn, this period comprises two different tranches: (a) until 31st December 2023, which is the reference period for the assessment of the degree of fulfilment of the financial and non-financial targets set out, and (b) until 28th April 2025, which is the reference date for the fulfilment of the condition which requires that the Beneficiaries stay at the Atresmedia Group.
 - ii) **Settlement period:** the period comprised between 28th April 2025 and 30th June 2025, which is the deadline on which the amounts accrued in favour of the Beneficiaries must have been settled
- (d) **Targets.** The Remuneration Plan envisages the following targets:
- i) **First target: Profitability.** Achievement of a consolidated Earnings before Interests, taxes, Depreciations and Amortisations ("**EBITDA**") figure for the Atresmedia Corporación Group during the three fiscal years 2021, 2022 and 2023, in line with the estimates made by the Company, adjusted by 90% of upwards or downwards adjustments of the conventional and linear TV and Radio advertising market vs. the variation anticipated in the three-year plan used as a reference for the determination of the target. This target has a weighting of 70%.

This target will be calculated on the basis of the following achievement scale (the intermediate values included in the intervals will be calculated by linear interpolation):



First Target: Profitability	
<i>Performance (% of the EBITDA target)</i>	<i>Achievement (% of target achievement)</i>
>100%	100%
=100%	100%
=90%	75%
<90%	0%

In case of an expansion of the Atresmedia Group during the three fiscal years mentioned above, as a consequence of the acquisition or incorporation of a new company during the period of achievement of the Remuneration Plan, only the accrued positive or negative difference between the EBITDA figure actually obtained and the EBITDA included in the business plan used as the basis for the acquisition will be considered for the purposes of the calculation of the target. This difference will be calculated from the date of inclusion of the company in the Group perimeter until 31st December 2023, which is the closing date of the achievement period of the target. In case of a reduction in the Group perimeter as a result of the sale of any of the Group companies, the EBITDA target will be adjusted by the amount of the expected contribution to the target EBITDA of the Atresmedia Group between the transfer date and the closing of the achievement period.

- ii) **Second target: Diversification of the income sources.** Achievement of a 30% increase in the gross margin obtained from any businesses and activities of the Company other than conventional and linear TV and radio advertising. This target has a weighting of 25%.
- iii) **Third target: Achievement of the Environmental, Social and Corporate Governance ("ESG") targets.** Compliance by the Company of, at least, 50% of the sustainability (ESG) targets related to: (i) the fulfilment of, at least, 85% of those recommendations contained in the Good Governance Code of Listed Companies that are applicable to the Company; (ii) the maintenance of a significant reserve of air time for free campaigns launched by NGOs; (iii) the maintenance and increase in the percentage of subtitling hours in the programming grid; and (iv) the score obtained by the Atresmedia Group in the "Carbon Disclosure Project" report. This third target has a weighting of 5% of the total.

Notwithstanding the multiannual nature of the Remuneration Plan, in case that the profitability target set out in paragraph i) above is achieved during the first two years of its term (i.e., 2021 and 2022), the Beneficiaries shall be entitled to receive, in any case, the percentage of the compensation set out in the Plan, provided that the requirement to stay at the Company has been met.

Thus, the right of the Beneficiaries to receive, both in cash and in shares, the amount they are entitled to according to the Remuneration Plan shall be **subject to the stay** of the Beneficiaries at the Atresmedia Group during the whole term of the Plan, i.e., until 28th April 2025, with the exception of some specific cases where the reasons for the exit are not attributable to the Beneficiary. This requirement has been established to retain and motivate the Beneficiaries, reinforcing their long-term commitment to the Atresmedia Group and its stakeholders.

- (e) **Clawback clause.** The Remuneration Plan incorporates a clawback clause whereby the Beneficiaries will be obliged to reimburse on a pro rata basis any



amounts received, in case that it is eventually evidenced that (i) the data used for the calculation and settlement of the Remuneration Plan were inaccurate or (ii) the Beneficiaries, during the effective term of the Plan, have committed a serious and negligent non-fulfilment of their duties of loyalty, diligence or good faith, or any other obligations undertaken as a result of the office held by them within the Group, or by virtue of their contractual relationship to provide services.

- (f) **Verification and settlement period and date of payment of the remuneration.** According to the best good governance practices and especially Recommendation 59 of the Good Governance Code of Listed Companies, the Plan envisages an extended period of time to verify the accuracy of the data included in the calculation of the financial and non-financial targets and to assess whether they have been effectively and duly complied with.

The right of the Beneficiaries to accrue the relevant amount, in accordance with the terms and conditions of the Plan, will be consolidated on 28th April 2025, after the expiration of the effective term of four years. The accrued amount will be settled and paid on 30th June 2025, at the latest.

- (g) **Maximum amount of the remuneration.** The maximum remuneration to be paid to all the Beneficiaries of the Remuneration Plan, in case that the maximum targets foreseen have been completely achieved, will be an amount equivalent to 10% of the average EBITDA obtained for years 2021, 2022 and 2023.

Notwithstanding the above, it must be noted that the maximum remuneration amount to be accrued in accordance with the Remuneration Plan amounts to TWENTY MILLION EUROS (20,000,000.- €).

- (h) **Method of payment.** 90% of the amount of the remuneration to which Beneficiaries are entitled according to the Remuneration Plan will be paid in cash, and the remaining 10% will be paid in shares of Atresmedia Corporación of the current treasury stock of the Company. The payment would eventually be completed through additional purchases of treasury stock, if so required for the fulfilment of the Remuneration Plan in connection with the achievement of all the targets.

The shares, along with the cash amount, shall be delivered on the previously mentioned settlement date, and their delivery shall also be subject to the stay of the Beneficiaries at the Atresmedia Group until 28th April 2025. The maximum number of shares to be distributed under this remuneration Plan will be the result of dividing 10% of the maximum amount to be delivered to the Beneficiaries (in case that the targets set out in the Remuneration Plan have been completely fulfilled) by the market price of the share on the date of approval of the Plan by the Ordinary General Meeting of Shareholders.

The number of shares to be delivered to each beneficiary by the Company will be calculated on the basis of the number of shares that correspond to each beneficiary according to his/her percentage of participation in the Remuneration Plan, and the net number of shares to be delivered will be the figure resulting after applying and deducting the advanced payment corresponding to this tranche of the remuneration. The Company may sell in the market a sufficient number of the shares allocated to each Beneficiary, to allocate the price obtained to make the relevant advanced payment, and deliver the remaining shares.



In accordance with Recommendation 62 of the Good Governance Code of Listed Companies, after the delivery of the shares, Executive Directors will not be allowed to transfer their ownership until a term of three years has lapsed. The only exception will be when the director holds, at the time of the transfer or the exercise, a net financial exposure to changes in stock prices which is equivalent to at least twice or three times the amount of his/her fixed annual remuneration, through the ownership of shares, options or any other financial instruments. The above does not apply to those shares that must be disposed of by the director in order to cover the acquisition-related costs or, subject to the reasonable approval by the Appointments and Remunerations Committee, to deal with unexpected extraordinary circumstances that so require it.

- (i) **Termination of the employment or commercial relationship by the Beneficiaries.** In the event that the Beneficiary terminates or suspends its commercial or employment relationship with the Atresmedia Group for reasons non attributable to the Beneficiary (*good leaver termination*), the Beneficiary will be entitled to receive the proportional share of the Remuneration Plan already accrued, on the basis of the date of termination or suspension of the relationship.

This would be of application in the following circumstances:

- a) Temporary disability of the Beneficiary, acknowledged by the relevant public Health Institution.
- b) Maternity, risk during pregnancy, adoption, foster care, either permanent or for pre-adoption reasons, of children under six (6) years of age, when the situation has been acknowledged, if appropriate, by the relevant public Health Institution.
- c) Total permanent disability, full permanent disability or severe disability acknowledged by the relevant public Health Institution or through a final court decision which terminates the employment relationship with the Atresmedia group.
- d) Retirement or early retirement, voluntarily or at the request of the company of the Atresmedia group where the beneficiary performs his/her services, either of an individual nature or linked to a downsizing plan.
- e) Unilateral withdrawal of the Atresmedia Group, or unlawful dismissal on disciplinary grounds, as declared through a final court decision or through an agreement reached as a result of a judicial or extrajudicial conciliation proceedings carried out before the relevant bodies with jurisdiction.
- f) Death.
- g) Special leaves of absence granted for the sake of the interests of the Atresmedia Group, to fill an executive position at a company not included in the perimeter of Atresmedia Corporación or its Group of Companies, provided that the managers of such companies are covered by the Remuneration Plan.
- h) Change of control of the Company of the Atresmedia Group where the Beneficiary renders his/her services. In this respect:

If the decision to terminate the employment or commercial relationship has been made by the company belonging to the Atresmedia Group, the Beneficiary shall be entitled to receive the total amount of the remuneration that would correspond to him/her according to the Remuneration Plan after its conclusion.



If the decision to terminate the employment or commercial relationship has been made by the Beneficiary, and this circumstance has been envisaged in the relevant Contract, the Beneficiary will be entitled to receive, on a pro rata basis, the remuneration that would correspond to him/her during the period in which the Beneficiary rendered his/her services to the company of the Atresmedia group, and such amount would be calculated on the basis of the total amount accrued after the expiry of the achievement period.

- i) Non-renewal of the appointment as Director by the General Meeting of Shareholders, upon the expiry of his/her term of office.

In the event that the employment or commercial relationship of the beneficiary with the Atresmedia group for a reason other than those stated above, such reason will be considered as a reason attributable to the Beneficiary (*bad leaver clause*), and consequently, the Beneficiary will not be entitled to receive any amount in accordance with the Remuneration Plan. For illustration purposes, and without limitation, the following may be considered reasons attributable to the Beneficiary (*bad leaver*):

- a) Voluntary resignation of the Beneficiary from his/her office.
- b) Lawful dismissal on disciplinary grounds, when it has been acknowledged by a Court decision or has not been contested.
- c) Any other form of lawful termination, either by Atresmedia Corporación or by the relevant company of the Atresmedia Group, of the employment or commercial relationship under which the beneficiary renders his/her services.



ANNEX 2

EXPLANATORY REPORT ATTACHED TO THE PROPOSAL SUBMITTED BY THE BOARD OF DIRECTORS OF ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A. CONCERNING THE REMUNERATION POLICY ESTABLISHED FOR DIRECTORS FOR YEARS 2021-2023

Reasons for the proposal concerning item 4.2 of the Agenda

This report has been prepared by the Board of Directors, in the meeting held on 24th March 2021, and will be attached to the proposed resolution approving the policy on the Remuneration of directors, which will be submitted for approval to the Ordinary General Meeting of Shareholders, that will presumably be held in first call on 28 April 2021, according to the provisions of articles 529 *quindecies* paragraph 3 g) and 529 *novodecies* of *Real Decreto Legislativo* 1/2010, of 2 July, approving the consolidated text of the *Ley de Sociedades de Capital*.

Thus, the Board of Directors endorses the preliminary report issued by the Appointments and Remunerations Committee, submitting the following resolution for the approval of the Meeting:

*"4.2. Approval of the Remuneration Policy for the directors of Atresmedia Corporación (hereinafter, the "Remuneration Policy") for the years 2021 to 2023, as proposed in the detailed opinion attached as **Annex** hereto, which has been endorsed by the Board of Directors and was prepared by the Appointments and Remuneration Committee, therefore approving the Remuneration Policy (which is attached in this report) and which forms part of this resolution for all purposes."*



Annex

EXPLANATORY REPORT PREPARED BY THE APPOINTMENTS AND REMUNERATIONS COMMITTEE OF ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A. CONCERNING THE REMUNERATION POLICY ESTABLISHED FOR DIRECTORS FOR YEARS 2021-2023

Object of the Report

The Appointments and Remunerations Committee of Atresmedia Corporación de Medios de Comunicación, S.A. ("**Atresmedia Corporación**" or the "**Company**") has prepared this report (the "**Report**") concerning the new remuneration policy for directors, in compliance with the provisions of articles 529 *quindecies*, paragraph 3 g) and 529 *novodecies* of *Real Decreto Legislativo 1/2010*, of 2nd July, approving the Consolidated Text of the *Ley de Sociedades de Capital* ("**Ley de Sociedades de Capital**"), Article 45 of the Corporate Byelaws and Articles 25 and 31 of the Regulations that govern the operation of the Board of Directors of the Company.

In accordance with the provisions contained in the aforementioned legal texts, the Appointments and Remunerations Committee has prepared this report so that it may be submitted to the plenary session of the Board of Directors.

This new remuneration policy (the "**Remuneration Policy**" or the "**Policy**"), which covers years 2021 to 2023, both inclusive, will be submitted for approval to the 2021 Ordinary General Meeting of Shareholders of the Company. Its eventual approval shall render null and void the remuneration policy for years 2019 to 2021, both inclusive, which was approved by the Ordinary General Meeting of Shareholders of the Company on 24th April 2019.

1. Reasons for the approval of the new Remuneration Policy

The Appointments and Remunerations Committee has submitted to the Board of Directors for its approval a long-term Variable Remuneration Plan, involving the distribution of shares, intended for the Executive Directors and certain Managers of the Atresmedia Corporación Group (the "**Remuneration Plan**" or the "**Plan**"), which is related to the fulfilment of a series of financial and non-financial targets.

In this respect and considering that the Executive Directors of Atresmedia Corporación have been included among the beneficiaries of this long-term Variable Remuneration Plan, the Appointments and Remunerations Committee has suggested the approval of a new Remuneration Policy to abide by the applicable regulations, whereby the aforementioned Plan will be included among the components of the remuneration of executive directors.

Furthermore, efforts have been made to incorporate in the Remuneration Policy the main regulatory innovations that might affect its contents and that are expected to enter into force in 2021, as well as the most recent best market practices and good governance recommendations in the field of remuneration.

Finally, the new Policy equates the executive Chairman with the remaining Executive Directors as far as the payment of a life insurance premium is concerned; this remuneration in kind should be included, as the remaining components of his remuneration, in the Policy approved by the General Meeting of shareholders.

The Remuneration Policy currently in force is related to year 2021. However, instead of amending the policy in force for this year and approving in 2022 a new policy for the following three years, the Appointments and Remunerations Committee has considered it more appropriate to propose at this point the approval of a new Remuneration Policy for the period 2021-2023. The new Remuneration



Policy has been approved by the Appointments and Remunerations Committee for its subsequent assessment by the Board of Directors so that this latter, in case that it is eventually approved, may in turn put it to the vote on the occasion of the next Ordinary General Meeting of shareholders of the Company.

2. Description of the content of the new Remuneration Policy

In general, the Appointments and Remunerations Committee has deemed it advisable to maintain the essential guidelines of the remuneration policy currently in force.

The new aspects of the Remuneration Policy, that will be described hereinafter, have been motivated by: (i) the approval of a long-term Variable Remuneration Plan, involving payments in cash and the distribution of shares among directors and executives, (ii) the adaptation of the Policy to new regulatory developments, corporate good governance recommendations and best remuneration practices and (iii) the equation of the executive Chairman with the remaining Executive Directors, as far as the payment of a life insurance premium is concerned.

(i) Approval of a new long-term Variable Remuneration Plan

Firstly, as a consequence of the approval of the long-term variable remuneration Plan for executive directors and certain senior managers, involving cash payments and distribution of shares, a specific section, called "Multiannual variable remuneration Plan" containing all the essential issues of such Plan, will be included in the new Remuneration policy whose terms, that will be submitted to the Ordinary general meeting of shareholders for approval, are summarised below:

The Remuneration Plan has been designed as a long-term variable compensation linked to the performance of the Atresmedia Group, consisting of the distribution of certain amounts among its beneficiaries, partly as cash payments and partly through the allotment of company shares, the amount of which will be dependent upon the achievement of the different financial and non-financial targets set out in the Remuneration Plan. The main elements of the Plan are described below:

- (a) *Beneficiaries. The beneficiaries of the Remuneration Plan will be the executive directors of the Company and certain senior managers of the Atresmedia Group appointed by the Board of Directors of the Company (together, "the Beneficiaries").*
- (b) *Term. The Remuneration Plan shall come into effect as from its approval by the Ordinary General Meeting of Shareholders, scheduled for 28th April 2021, and shall end four years later, i.e., 28th April 2025. The Plan is split into two differentiated periods:*
 - i) *Achievement period: in turn, this period comprises two different tranches: (a) until 31st December 2023, which is the reference period for the calculation of the degree of compliance with the financial and non-financial targets previously set out, and (b) until 28th April 2025, which is the reference date for the fulfilment by the Beneficiaries of the condition to stay at the Atresmedia Group.*
 - ii) *Settlement Period: from 28th April 2025 until 30th June 2025, which is the deadline when any amounts accrued in favour of the beneficiaries must have been settled.*
- (c) *Targets. The Remuneration Plan envisages the following targets:*
 - i) *First target: Profitability. Achievement of a consolidated Earnings before Interests, taxes, Depreciations and Amortisations ("EBITDA") figure for the Atresmedia Group during the three fiscal years 2021, 2022 and 2023, in line with the estimates made by the Company, adjusted by 90% of upwards or downwards adjustments of the conventional and linear TV and Radio*



advertising market vs. the variation anticipated in the three-year plan used as a reference for the determination of the target. This target has a weighting of 70%.

- ii) *Second target: Diversification of the income sources. Achievement of a 30% increase in the gross margin obtained from any businesses and activities of the Company other than conventional and linear TV and radio advertising. This target has a weighting of 25%.*
- iii) *Third target: Achievement of the Environmental, Social and Corporate Governance ("ESG") targets. Compliance by the Company of at least 50% of the sustainability (ESG) targets related to: (i) the fulfilment of, at least, 85% of those recommendations contained in the Good Governance Code of Listed Companies that are applicable to the Company; (ii) the maintenance of a significant reserve of air time for free campaigns launched by NGOs; (iii) the maintenance and increase in the percentage of subtitling hours in the programming grid; and (iv) the score obtained by the Atresmedia Group in the "Carbon Disclosure Project" report. This third target has a weighting of 5% of the total.*

Notwithstanding the pluriannual nature of the Remuneration Plan, in case that the profitability target set out in paragraph i) above is achieved during the first two years of its term (i.e., 2021 and 2022), the Beneficiaries shall be entitled to receive, in any case, the percentage of the compensation set out in the Plan, provided that the requirement to stay at the Company has been met.

Thus, the right of the Beneficiaries to receive, both in cash and in shares, the amount they are entitled to according to the Remuneration Plan shall be subject to the stay of the Beneficiaries at the Atresmedia Group during the whole term of the Plan, i.e., until 28th April 2025, with the exception of some specific cases where the reasons for the exit are not attributable to the Beneficiary. This requirement has been established to retain and motivate the Beneficiaries, reinforcing their long-term commitment to the Atresmedia Group and its stakeholders.

- (d) *Clawback clause. The Remuneration Plan incorporates a clawback clause whereby the Beneficiaries will be obliged to reimburse on a pro rata basis any amounts received, in case that it is eventually evidenced that (i) the data used for the calculation and settlement of the Remuneration Plan were inaccurate or (ii) the Beneficiaries, during the effective term of the Plan, have committed a serious and negligent non-fulfilment of their duties of loyalty, diligence or good faith, or of any other obligations undertaken as a result of the office held by them within the Group or by virtue of their contractual relationship to provide services.*
- (e) *Verification and settlement period and date of payment of the remuneration. According to the best good governance practices and especially Recommendation 59 of the Good Governance Code of Listed Companies, the Plan envisages an extended period of time to verify the accuracy of the data included in the calculation of the financial and non-financial targets and to assess whether they have been effectively and duly complied with.*

The right of the Beneficiaries to accrue the relevant amount, in accordance with the terms and conditions of the Plan, will be consolidated on 28th April 2025, after the expiration of the effective term of four years. The accrued amount will be settled and paid, at the latest, on 30th June 2025.

- (f) *Maximum amount of the remuneration. The maximum remuneration to be paid to all the Beneficiaries of the Remuneration Plan, in case that the maximum targets foreseen have been completely achieved, will be an amount equivalent to 10% of the average EBITDA obtained for years 2021, 2022 y 2023.*

It must be noted that the maximum remuneration amount to be accrued under the Remuneration Plan shall be TWENTY MILLION EUROS (20,000,000.- €).



- (g) Method of payment. 90% of the amount of the remuneration to which Beneficiaries are entitled under the Remuneration Plan will be paid in cash, and the remaining 10% will be paid in shares of Atresmedia Corporación of the current treasury stock of the Company. The payment would eventually be completed through additional purchases of treasury stock, if so required for the fulfilment of the Remuneration Plan related to the achievement of targets.

The shares, along with the cash amount, shall be delivered on the previously mentioned settlement date, and their delivery shall also be conditional on the stay of the Beneficiaries at the Atresmedia Group until 28th April 2025. The maximum number of shares to be distributed under this remuneration Plan will be the result of dividing 10% of the maximum amount to be delivered to the Beneficiaries (in case that the targets set out in the Remuneration Plan have been completely fulfilled) by the market price of the share on the date of approval of the Plan by the Ordinary General Meeting of Shareholders.

The number of shares to be delivered to each beneficiary by the Company will be calculated on the basis of the number of shares that correspond to each beneficiary according to his/her percentage of participation in the Remuneration Plan, and the net number of shares to be delivered will be the figure resulting after applying and deducting the advanced payment corresponding to this tranche of the remuneration. The Company may sell in the market a sufficient number of the shares allocated to each Beneficiary, to use the price obtained to make the relevant advanced payment, and deliver the remaining shares.

In accordance with Recommendation 62 of the Good Governance Code of Listed Companies, after the delivery of the shares, Executive Directors will not be allowed to transfer their ownership until a term of three years has lapsed. The only exception will be when the director holds, at the time of the transfer or the exercise, a net financial exposure to changes in stock prices which is equivalent to at least twice or three times the amount of his/her fixed annual remuneration, through the ownership of shares, options or any other financial instruments. The above does not apply to those shares that must be disposed of by the director in order to cover the acquisition-related costs or, subject to the reasonable approval by the Appointments and Remunerations Committee, to deal with unexpected extraordinary circumstances that so require it."

(ii) Adaptation of the Policy to new regulatory developments, corporate good governance recommendations and best remuneration practices

Furthermore, the Appointments and Remunerations Committee has analysed the most significant regulatory developments expected in 2021, especially in the context of the draft law on the reform of the *Ley de Sociedades de Capital*, as well as the most recent remuneration-related market practices and recommendations, both at domestic and international level. This has resulted in a new Policy, that will be submitted to the next Ordinary General Meeting of Shareholders for approval.

(iii) Life insurance premium

Finally, the Committee proposed to pay an in-kind compensation to the Executive Chairman, consisting of the payment of a life insurance premium, for a maximum annual amount of FIFTEEN THOUSAND EUROS (15,000.-€), under equivalent conditions as the remaining executive directors.

3. Conclusions of the Appointments and Remunerations Committee

In the opinion of the Appointments and Remunerations Committee, this proposal for a Remuneration Policy abides by the legal requirements set out in the applicable regulations and the provisions contained in the Corporate Byelaws of the Company and the Board of Directors' Regulations.

In the light of the above, the Appointments and Remunerations Committee considers that there are sufficient reasons to replace the Remuneration Policy



currently in force according to the terms set out in this Report, so that it may be submitted to the Ordinary General Meeting of Shareholders for approval.

This report has been prepared by the Appointments and Remunerations Committee, that submitted it to the consideration of the Board of Directors on 24th March 2021.

We attach to this report the wording of the new Remuneration Policy for years 2021 to 2023, including the new proposals herein contained and which, once it has been approved, will replace the Policy approved in 2019.

The new Policy will be applicable to the remuneration of the directors of Atresmedia Corporación for years 2021, 2022 and 2023.



REMUNERATION POLICY FOR THE DIRECTORS OF ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A. (ATRESMEDIA CORPORACIÓN) FOR YEARS 2021 TO 2023

I. INTRODUCTION

The regulatory significance and the public visibility of good corporate governance practices for corporations have steadily increased in recent years, especially in the case of listed companies.

The compliance with the best corporate governance practices, as far as the remuneration received by the directors is concerned, has always been considered one of the key factors for the social valuation and perception of a company, both in financial and reputational terms. Besides the strictly financial aspects, the degree of compliance with the best corporate governance practices and recommendations is an essential reference in the analyses made by institutional or corporate investors and their advisors. The good governance recommendations concerning remunerations are aimed at ensuring a perfect alignment of interests between the shareholders of the Company and its directors, while guaranteeing that external directors are sufficiently motivated, but they maintain an appropriate degree of independence to perform their supervisory tasks and scrutinize the day-to-day management tasks performed by the executive directors.

In the specific case of Atresmedia Corporación, corporate governance has an added reputational significance, since it is the most important and diversified media group in Spain. Its continued presence in public life entails a greater standard of expectations as well as an additional level of exposure to the critical eye of citizens, the remaining media and the public institutions, financial analysts and investors and the market as a whole.

The Company is determined to meet this challenge vis-à-vis the different stakeholders related to its business activities and its institutional day-to-day operations. To that effect, it has designed clear, transparent, predictable and easy to understand remuneration policy, which also meets the necessary requisites to attract and retain the talent required to maintain the position of Atresmedia Corporación as the major media conglomerate in Spain.

When preparing the new policy, an effort was made to include factors related to the performance of the business and the situation of the Company's workers. In this latter case, it must be highlighted that Atresmedia Corporation has not implemented employment adjustment measures in any of the Companies of the Group in the wake of the COVID-19 crisis, despite the very strict adjustment policy adopted in connection with all the expenditure items, as a result of an unprecedented drop in revenues and a situation of maximum uncertainty. On the other hand, in 2020, the Atresmedia Group has put into effect an early and voluntary retirement plan, aimed at those employees of a higher age and seniority. This plan has offered its beneficiaries the maintenance of a significant portion of their remuneration after the termination of the employment relationship, together with an additional financial compensation for the payment of social security contributions up to or near the retirement age, depending on their personal circumstances as Social Security contributors.



II. REGULATORY FRAMEWORK

According to Article 529 *novedecies* of the *Ley de Sociedades de Capital*, the general Meeting of Shareholders of those companies whose shares are admitted to trading on a secondary regulated market must approve, at least every three years, a remuneration policy which covers any payments received by its directors, including the executive directors, for the performance of their duties.

Article 45 of the corporate byelaws of Atresmedia Corporación also sets forth that the General Meeting of Shareholders must express its approval of such Remuneration Policy, as a separate item of the Agenda, and that the contents of such policy must be in line with the Remuneration Plan for the Directors of the Company, as determined in Article 44 of the byelaws.

In accordance with the provisions of the Corporations Act concerning the remuneration of executive directors, the aforementioned Article 45.2 of the byelaws establishes that the remunerations policy shall contemplate (i) the amount of the fixed annual remuneration and its changes during the period covered by the policy, (ii) the different parameters considered for the calculation of the variable components of the remuneration and (iii) the main terms and conditions of their contracts, specifically including their effective term, compensations for early dismissal or termination of the contractual relationship and exclusivity, post-contractual non-competition and loyalty agreements.

III. THE ROLE PLAYED BY THE APPOINTMENTS AND REMUNERATIONS COMMITTEE IN THE DETERMINATION OF THE REMUNERATION POLICY

Article 43.5 g) of the corporate byelaws of Atresmedia Corporación sets out that the Appointments and Remunerations Committee will be entitled to propose to the Board of Directors the remuneration policy followed in connection with the directors, as well as the individual remuneration paid to the executive directors and the contractual terms and conditions of application to them.

In application of this principle, article 25 of the Regulations of the Board of Directors of Atresmedia Corporación sets out that the Appointments and Remunerations Committee will perform the following functions, among others, related to the remunerations policy followed in connection with the directors:

- (i) To propose to the Board of Directors the remuneration policy applicable to the directors (paragraph 10);
- (ii) To inform about and propose the individual remuneration of the executive directors and the remaining terms and conditions of their contracts, informing the Board about the suitability of the contracts of the executive directors and watching over the compliance with the legal requirements, the corporate byelaws and the remuneration policy established by the Company, both in the context of remunerations and contracts (paragraph 11);
- (iii) To review, from time to time, the remuneration policy applied to Directors, including remuneration Plans based on stock options and their implementation, and to ensure that the individual remuneration of each one of them is commensurate with the remuneration received by the remaining directors of the Company (paragraph 12); and
- (iv) To ensure that the advice received from external advisors is genuinely independent and it is not biased by eventual conflicts of interest (paragraph



In the performance of its functions, the Appointments and Remunerations Committee has made a punctual follow-up of the evolution of the remunerations Plan of the Company and the parameters set out for the remuneration of directors, especially in connection with the variable remuneration Plan in force for executive directors. Similarly, the Appointments and Remunerations Committee has made a review of this issue from a corporate governance point of view, monitoring the best practices and applicable recommendations and the most recent normative and doctrinal developments. The Appointments and Remunerations Committee has benefitted from the advice of external independent professionals in the performance of its functions.

The result of these works has determined the appropriateness of submitting a proposal concerning the approval of a new Remuneration policy for the Company, to replace the policy approved by the General Meeting of Shareholders held on 24th April 2019, which should have initially been in full force and effect for years 2019 to 2021. The inclusion of the executive directors among the beneficiaries of a new multiannual Variable Remuneration Plan would have required, at least, an amendment of the Remuneration Policy in force for 2021. In the light of these circumstances, the Appointments and Remunerations Committee has now considered it more appropriate to adopt a new Remuneration Policy for the period 2021-2023.

IV. GENERAL PRINCIPLES OF THE REMUNERATION POLICY

This Remuneration Policy is based on the principles stated below, that have been instrumental in its configuration and represent the cornerstone of the remuneration paid to all directors, both external and executive. These principles have been defined by the Appointments and Remunerations Committee and were embraced by the Board of Directors, taking into consideration not only the rules applicable to the remuneration of directors, but also the existing good governance recommendations and the demands and requirements posed by professional investors and their proxy advisors.

The general principles followed for the remuneration of the directors of Atresmedia Corporación are essentially the following:

- Coherence with the corporate strategy and the interests and sustainability of the Company and its consolidated group in the long term.
- Transparency of the different items considered in the calculation of the fixed and variable remuneration, including bonuses and any other compensations that may be allocated to the directors, including their relative percentage.
- Setting up of a link between the variable remuneration and a series of preestablished and measurable performance criteria.
- Compliance with the recommendations and best corporate governance practices in that respect, taking the characteristics of the Company into consideration.
- Differentiation between the office of external and executive directors, also distinguishing, in terms of remuneration, the different degrees of dedication and responsibility of external directors.
- Amounts and items included in the remuneration of directors (i) as compared with other similar companies and (ii) that take into account the remuneration and employment conditions of the employees of the Company and its consolidated group.
- Predictability of the system, so that it does not entail any risk of significant



alterations owing to reasons that cannot be appropriately controlled and allows investors to predict the amount of the remunerations to be paid.

In the context of the remuneration to be paid to the executive directors, the principles to be applied are the following:

- Definition of a remuneration system which is common for all executive directors and allows the Company to attract and retain highly talented professionals who are able to generate value for shareholders.
- Alignment of their remuneration with the corporate strategy, the generation of value for shareholders and the long-term interests and sustainability of the Company and its consolidated group. To that effect, (i) the appropriate balance must be found between the fixed and variable tranches of the remuneration, (ii) a series of clear, thorough and differentiated financial and non-financial performance criteria have been set for the payment of the variable remuneration; and (iii) executive directors have been included among the beneficiaries of a long-term compensation Plan, to be partly paid in shares and which seeks to potentiate the professional involvement with the Group, the profitability and diversification of its operations the compliance with the sustainability targets (ESG) and the corporate governance responsibilities of the Directors.
- Creation of safeguard mechanisms that allow (i) to measure the degree of fulfilment of financial and non-financial targets and (ii) to ensure that the achievement of the short-term objectives does not hinder the strategic medium- and long-term objectives of the Company.
- Definition of preventive measures that allow to amend the payment of the variable remuneration, when this latter is based on erroneous information.

Finally, the main inspirational principles underlying the determination of the remuneration paid to external directors are the following:

- To endeavour to ensure that the remuneration is sufficiently attractive to retain highly talented external directors, without biasing their impartiality and independence.
- To link the remuneration paid to external directors to their effective involvement with the Company and the responsibilities that have been taken on by them, and to foster their participation in the work of the Board of Directors and, if appropriate, of the relevant committees.
- To exclude external directors from the payment of the variable remuneration related to their individual performance or the evolution of the businesses of the Company, thus avoiding to compromise the independence of judgment of external directors when they have to review accounting practices or other decisions that might alter the immediate results of the Company, in case that such reviews may influence their remuneration.

V. REMUNERATION OF EXTERNAL OR NON-EXECUTIVE DIRECTORS

The remuneration paid to the external directors of Atresmedia Corporación during the reference period will be adjusted in line with the following parameters:

1. A fixed annual remuneration for each one of the external directors, for an amount of 25,000 euros.



2. An additional amount of 2,000 euros, to be paid as attendance fees to the external directors for their attendance to each one of the meetings of the Board of Directors.
3. A supplementary fixed annual payment of 50,000 euros, to be paid to those non-executive directors that are also members of the Executive Committee.
4. An additional amount of 2,500 euros, paid as attendance fees to non-executive directors for their attendance to each one of the meetings of the Executive Committee.
5. An additional amount of 2,000 euros, paid as attendance fees to non-executive directors for their attendance to each one of the meetings of the Audit and Control Committee and/or the Appointments and Remunerations Committee.

For clarification purposes, and notwithstanding the payment of the aforementioned fees, it must be stated that the fact of being a member of the Audit and Control Committee and/or the Appointments and Remunerations Committee does not entail the payment of any additional fixed remuneration to their members.

The performance of any duties within the corporate bodies of the Company (including the offices of chair or deputy chair of the Board or the committees) will not entail any additional or differentiated remuneration for the holders of such offices, unless such duties involve a relevant additional activity for the director concerned, with the consequent added dedication and responsibilities.

Notwithstanding the foregoing, the maximum annual remuneration of the external directors as a whole will amount to THREE MILLION EURO (3,000,000 €), exclusive of the eventual remuneration that might correspond to some of the external directors for the rendering to the Company of professional services that are not related to their status as directors.

The Board of Directors, subject to a prior report of the Appointments and Remunerations Committee, may increase or decrease the remuneration amounts set out in this paragraph for external directors, provided that they do not exceed the above-mentioned maximum annual threshold, including through the allotment of an additional remuneration for the performance of any duties within the Board of Directors or any of its committees when, in the opinion of Board, the additional involvement and responsibilities associated to such activity so indicate.

VI. REMUNERATION OF EXECUTIVE DIRECTORS

The Remuneration to be paid to the Executive Chairman, the Chief Executive Officer and the Director and General Manager of the TV division of Atresmedia Corporación shall be based on the following parameters:

a) The executive Chairman

In consideration for the performance of his duties, the Executive Chairman will receive the following remuneration:

1. A fixed annual remuneration of 410,000 euros, to be distributed in twelve (12) equal monthly payments.
2. A variable annual remuneration, up to a maximum amount of 88% of the fixed remuneration indicated above, calculated in accordance with the description contained in section VI.I hereof.



3. Remuneration in kind: a life insurance policy, with an annual premium to be paid by the Company, for a maximum amount of 15,000 euros.
4. The Executive Chairman shall not receive the remuneration established for external directors for the fact of being a member of the Board and the committees: a fixed tranche plus attendance fees.

b) The Chief Executive Officer

In consideration for the performance of his duties, the Chief Executive Officer will receive the following remuneration:

1. A fixed annual remuneration of 1,100,000 euros, to be distributed in twelve (12) equal monthly payments.
2. A variable annual remuneration, up to a maximum amount of 88% of the fixed remuneration indicated above, calculated in accordance with the description contained in section VI.I hereof.
3. Remuneration in kind: (i) a life insurance policy, with an annual premium to be paid by the Company, for a maximum amount of 15,000 euros; and (ii) a health insurance policy, covering the immediate family of the CEO, with an annual premium to be paid by the Company, for a maximum amount of 20.000 euros.
4. The Chief Executive Officer shall not receive the remuneration established for external directors for the fact of being a member of the Board and the committees: a fixed tranche plus attendance fees.

c) The Director and General Manager of Atresmedia Televisión

In consideration for the performance of his duties, the Director and General Manager of the TV Division will receive the following remuneration:

1. A fixed annual remuneration of 650,000 euros, to be distributed in twelve (12) equal monthly payments.
2. A variable annual remuneration, up to a maximum amount of 88% of the fixed remuneration indicated above, calculated in accordance with the description contained in section VI.I hereof.
3. Remuneration in kind: (i) a life insurance policy, with an annual premium to be paid by the Company, for a maximum amount of 10,000 euros; and (ii) a health insurance policy, covering the immediate family of the General Manager, with an annual premium to be paid by the Company, for a maximum amount of 15.000 euros.
4. The Director and General Manager of the TV division shall not receive the remuneration established for external directors for the fact of being a member of the Board and the committees: a fixed tranche plus attendance fees.

Notwithstanding the above, the Board of Directors, on an exceptional basis and subject to a prior report of the Appointments and Remunerations Committee, will be entitled to increase the amount of the remuneration foreseen in this section for executive directors, provided that such additional remuneration does not exceed the equivalent of their fixed annual remuneration, and has been accrued as a consequence of singular and extraordinary operations carried out within the Company, or has been paid on the basis of the quality of the results obtained, the individual performance of the director or any other reasons that require a qualitative assessment.



VI.I Short-term variable remuneration of Executive Directors

Executive Directors will receive an annual variable remuneration, up to a maximum amount of 88% of their fixed annual remuneration indicated for each one of them in the previous paragraphs.

The accrual and consolidation of such remuneration shall be dependent upon a series of financial and non-financial targets related to (i) the degree of fulfilment of the target set by the Board of Directors every year, as a function of the budget for the relevant year, compared to the EBITDA figure resulting from the consolidated annual accounts of Atresmedia Corporación, (ii) the degree of fulfilment of the duties inherent to their position, which will also be linked to the individual assessment of their performance, and (iii) the commitment expressed by the Director to stay at the Company during the year following the financial year used as a reference for the calculation of the remuneration.

This remuneration will be paid in two equal payments (50%):

- The first 50% payment will accrue upon the closing of the fiscal year corresponding to the remuneration, after the fulfilment of the targets and the commitment of the director to stay in his position as at 31st December. The payment of this instalment will be deferred, since it will be made once the achievement of the targets has been checked by the Appointments and Remunerations Committee during the first quarter of the following year, and once the Board of Directors has formulated the annual accounts for the relevant year, for the purposes of the calculation of the compensation;
- The second payment, which also amounts to 50%, will be consolidated on 31st December of the year following the reference year, provided that the Director has stayed at the Company until that date (exceptionally, it shall also be consolidated in the event of death), and the payment shall also be deferred and will be paid during the first quarter of the second year following the fiscal year to which the compensation relates.

The variable remuneration of the executive directors includes a provision to prevent the payment (*malus clause*) or the obligation of the director to reimburse (*clawback clause*) on a pro rata basis any amounts received as variable remuneration, depending on the time on which there are evidences that justify the application of such clauses, if: (i) it is evidenced that the data used for the calculation and settlement of the variable remuneration were inaccurate; (ii) the director had committed a serious or negligent non-fulfilment of his duties of loyalty, diligence or good faith, or any other obligations undertaken by virtue of his contract with the Company; or (iii) the requirement to remain in office during an additional period of one year has not been met.

VI.II Discretionary terms and conditions included in the contracts of the Executive Directors

Contracts entered into with executive directors may include the following commitments, the suitability of which should be assessed on a case-by-case basis, considering the specific circumstances of each contract and, especially, whether the activities of the Director have been performed on a full-time and exclusive basis:

- (i) A mutual notice period, in the case of early and voluntary termination of the contract. Such period will be at least three (3) months, with a penalty equivalent to the proportional remuneration corresponding to the relevant event of default.
- (ii) A remunerated post-contractual non-competition commitment, that would be



in force for a term of one year after the termination of the contract, which may be unilaterally enforced or not by Atresmedia Corporación, on the basis of the eventual appreciation made by the Company in connection with the eventual existence of an effective industrial or commercial competition interest. In consideration of such commitment, a gross lump sum will be paid, equivalent to the total amount of one year's remuneration (annual fixed remuneration and variable monetary remuneration received during the last twelve (12) months). In case of non-fulfilment of this liability, the executive director must compensate the Company with an amount equivalent to one year of the total remuneration agreed, without prejudice to the right of the Company to claim an eventual compensation for damages.

- (iii) An indemnity commitment in favour of the executive director in case of termination of the contract by the Company or at the request of the executive director, in the following cases: (a) a serious breach of the contractual obligations by the company; (b) a significant change in the duties of the executive director, or (c) a change in the control of the Company. The compensation to be paid will be equivalent to the amount of two years' total monetary remuneration (fixed and variable remuneration received during the period of twenty-four (24) months prior to the date of termination of the contract).

The indefinite duration contracts of the Chief executive Officer and the Director and General Manager of the TV Division, who perform their professional duties on an exclusive and full-time basis, include all the above-mentioned stipulations.

On the other hand, since the position of Executive Chairman of the Board of Directors foresees a limited and non-exclusive dedication, the relevant contract, which is also an indefinite duration contract, does neither incorporate any post-contractual non-competition obligation, nor any indemnity clause in case of termination of the contract (for whatever reasons, either at the initiative of the Company or the Director himself). The remuneration in kind received by the Executive Chairman does not include the Health Insurance Policy underwritten in favour of the remaining executive directors.

VI.III Multiannual variable remuneration Plan for executive Directors

In addition to the remunerations already explained, executive directors are also the beneficiaries of a long-term variable remuneration Plan approved by the General Meeting of Shareholders of the Company on 28th April 2021.

This Remuneration Plan has been designed as a long term incentive plan linked to the performance of the Atresmedia Group, consisting of the distribution of certain amounts among its beneficiaries, partly as cash payments and partly through the allotment of company shares, the amount of which will be dependent upon the achievement of the different financial and non-financial targets set out in the Remuneration Plan. The main elements of the Plan are described below:

- (a) Beneficiaries. The Beneficiaries of the Remuneration Plan will be the executive directors of the Company and certain senior managers of the Atresmedia Group appointed by the Board of Directors of the Company (together, the "Beneficiaries").
- (b) Type of incentive and non-consolidated nature. Beneficiaries will be entitled to receive a sum, whose amount will be dependent upon the achievement of the financial and non-financial targets described in the Remuneration Plan and the



compliance with the requirement to stay at the Company. This amount will be paid in cash and in shares of the Company, according to the rate established in the Remuneration Plan.

The right of the Beneficiaries to receive the amounts set out in the Remuneration Plan, the distribution of such amounts and the additional benefits in favour of the Beneficiaries included in, or arising from the remuneration Plan will not be considered consolidated rights of the Beneficiaries.

(c) Term. The Remuneration Plan will be effective as from its approval by the Ordinary General Meeting of Shareholders scheduled for 28th April 2021, and will expire four years later, on 28th April 2025. The Plan comprises two differentiated periods:

i) Achievement period: in turn, this period comprises two different tranches: (a) until 31st December 2023, which is the reference period for the assessment of the degree of fulfilment of the financial and non-financial targets set out, and (b) until 28th April 2025, which is the reference date for the fulfilment of the condition which requires that the Beneficiaries stay at the Atresmedia Group.

ii) Settlement period: the period comprised between 28th April 2025 and 30th June 2025, which is the deadline on which the amounts accrued in favour of the Beneficiaries must have been settled.

(d) Targets. The Remuneration Plan envisages the following targets:

i) First target: Profitability. Achievement of a consolidated Earnings before Interests, taxes, Depreciations and Amortisations ("EBITDA") figure for the Atresmedia Corporación Group during the three fiscal years 2021, 2022 and 2023, in line with the estimates made by the Company, adjusted by 90% of upwards or downwards adjustments of the conventional and linear TV and Radio advertising market vs. the variation anticipated in the three-year plan used as a reference for the determination of the target. This target has a weighting of 70%.

This target will be calculated on the basis of the following achievement scale (the intermediate values included in the intervals will be calculated by linear interpolation):

First Target: Profitability	
<i>Performance (% of the EBITDA target)</i>	<i>Achievement (% of target achievement)</i>
>100%	100%
=100%	100%
=90%	75%
<90%	0%

In case of an expansion of the Atresmedia Group during the three fiscal years mentioned above, as a consequence of the acquisition or incorporation of a new company during the period of achievement of the Remuneration Plan, only the accrued positive or negative difference between the EBITDA figure actually obtained and the EBITDA included in the business plan used as the basis for the acquisition will be considered for the purposes of the calculation of the target. This difference will be



calculated from the date of inclusion of the company in the Group perimeter until 31st December 2023, which is the closing date of the achievement period of the target. In case of a reduction in the Group perimeter as a result of the sale of any of the Group companies, the EBITDA target will be adjusted by the amount of the expected contribution to the target EBITDA of the Atresmedia Group between the transfer date and the closing of the achievement period.

- ii) Second target: Diversification of the income sources. Achievement of a 30% increase in the gross margin obtained from any businesses and activities of the Company other than conventional and linear TV and radio advertising. This target has a weighting of 25%.
- iii) Third target: Achievement of the Environmental, Social and Corporate Governance ("ESG") targets. Compliance by the Company of, at least, 50% of the sustainability (ESG) targets related to: (i) the fulfilment of, at least, 85% of those recommendations contained in the Good Governance Code of Listed Companies that are applicable to the Company; (ii) the maintenance of a significant reserve of air time for free campaigns launched by NGOs; (iii) the maintenance and increase in the percentage of subtitling hours in the programming grid; and (iv) the score obtained by the Atresmedia Group in the "Carbon Disclosure Project" report. This third target has a weighting of 5% of the total.

Notwithstanding the multiannual nature of the Remuneration Plan, in case that the profitability target set out in paragraph i) above is achieved during the first two years of its term (i.e., 2021 and 2022), the Beneficiaries shall be entitled to receive, in any case, the percentage of the compensation set out in the Plan, provided that the requirement to stay at the Company has been met.

Thus, the right of the Beneficiaries to receive, both in cash and in shares, the amount they are entitled to according to the Remuneration Plan shall be subject to the stay of the Beneficiaries at the Atresmedia Group during the whole term of the Plan, i.e., until 28th April 2025, with the exception of some specific cases where the reasons for the exit are not attributable to the Beneficiary. This requirement has been established to retain and motivate the Beneficiaries, reinforcing their long-term commitment to the Atresmedia Group and its stakeholders.

- (e) Clawback clause. The Remuneration Plan incorporates a clawback clause whereby the Beneficiaries will be obliged to reimburse on a pro rata basis any amounts received, in case that it is eventually evidenced that (i) the data used for the calculation and settlement of the Remuneration Plan were inaccurate or (ii) the Beneficiaries, during the effective term of the Plan, have committed a serious and negligent non-fulfilment of their duties of loyalty, diligence or good faith, or any other obligations undertaken as a result of the office held by them within the Group, or by virtue of their contractual relationship to provide services.
- (f) Verification and settlement period and date of payment of the remuneration. According to the best good governance practices and especially Recommendation 59 of the Good Governance Code of Listed Companies, the Plan envisages an extended period of time to verify the accuracy of the data included in the calculation of the financial and non-financial targets and to assess whether they have been effectively and duly complied with.



The right of the Beneficiaries to accrue the relevant amount, in accordance with the terms and conditions of the Plan, will be consolidated on 28th April 2025, after the expiration of the effective term of four years. The accrued amount will be settled and paid on 30th June 2025, at the latest.

- (g) Maximum amount of the remuneration. The maximum remuneration to be paid to all the Beneficiaries of the Remuneration Plan, in case that the maximum targets foreseen have been completely achieved, will be an amount equivalent to 10% of the average EBITDA obtained for years 2021, 2022 and 2023. For all the executive directors, this would represent a maximum amount of 139% of the current fixed remuneration attributable to them during the four years of effectiveness of the Plan.

Notwithstanding the above, it must be noted that the maximum remuneration amount to be accrued in accordance with the Remuneration Plan amounts to TWENTY MILLION EUROS (20,000,000.- €).

- (h) Method of payment. 90% of the amount of the remuneration to which Beneficiaries are entitled according to the Remuneration Plan will be paid in cash, and the remaining 10% will be paid in shares of Atresmedia Corporación of the current treasury stock of the Company. The payment would eventually be completed through additional purchases of treasury stock, if so required for the fulfilment of the Remuneration Plan in connection with the achievement of all the targets.

The shares, along with the cash amount, shall be delivered on the previously mentioned settlement date, and their delivery shall also be subject to the stay of the Beneficiaries at the Atresmedia Group until 28th April 2025. The maximum number of shares to be distributed under this remuneration Plan will be the result of dividing 10% of the maximum amount to be delivered to the Beneficiaries (in case that the targets set out in the Remuneration Plan have been completely fulfilled) by the market price of the share on the date of approval of the Plan by the Ordinary General Meeting of Shareholders.

The number of shares to be delivered to each beneficiary by the Company will be calculated on the basis of the number of shares that correspond to each beneficiary according to his/her percentage of participation in the Remuneration Plan, and the net number of shares to be delivered will be the figure resulting after applying and deducting the advanced payment corresponding to this tranche of the remuneration. The Company may sell in the market a sufficient number of the shares allocated to each Beneficiary, to allocate the price obtained to make the relevant advanced payment, and deliver the remaining shares.

In accordance with Recommendation 62 of the Good Governance Code of Listed Companies, after the delivery of the shares, Executive Directors will not be allowed to transfer their ownership until a term of three years has lapsed. The only exception will be when the director holds, at the time of the transfer or the exercise, a net financial exposure to changes in stock prices which is equivalent to at least twice or three times the amount of his/her fixed annual remuneration, through the ownership of shares, options or any other financial instruments. The above does not apply to those shares that must be disposed of by the director in order to cover the acquisition-related costs or, subject to the reasonable approval by the Appointments and Remunerations Committee, to deal with unexpected extraordinary circumstances that so require it.



- (i) Termination of the employment or commercial relationship by the Beneficiaries. In the event that the Beneficiary terminates or suspends its commercial or employment relationship with the Atresmedia Group for reasons non attributable to the Beneficiary (*good leaver termination*), the Beneficiary will be entitled to receive the proportional share of the Remuneration Plan already accrued, on the basis of the date of termination or suspension of the relationship.

This would be of application in the following circumstances:

- a) Temporary disability of the Beneficiary, acknowledged by the relevant public Health Institution.
- b) Maternity, risk during pregnancy, adoption, foster care, either permanent or for pre-adoption reasons, of children under six (6) years of age, when the situation has been acknowledged, if appropriate, by the relevant public Health Institution.
- c) Total permanent disability, full permanent disability or severe disability acknowledged by the relevant public Health Institution or through a final court decision which terminates the employment relationship with the Atresmedia group.
- d) Retirement or early retirement, voluntarily or at the request of the company of the Atresmedia group where the beneficiary performs his/her services, either of an individual nature or linked to a downsizing plan.
- e) Unilateral withdrawal of the Atresmedia Group, or unlawful dismissal on disciplinary grounds, as declared through a final court decision or through an agreement reached as a result of a judicial or extrajudicial conciliation proceedings carried out before the relevant bodies with jurisdiction.
- f) Death.
- g) Special leaves of absence granted for the sake of the interests of the Atresmedia Group, to fill an executive position at a company not included in the perimeter of Atresmedia Corporación or its Group of Companies, provided that the senior managers of such companies are covered by the Remuneration Plan.
- h) Change of control of the Company of the Atresmedia Group where the Beneficiary renders his/her services. In this respect:

If the decision to terminate the employment or commercial relationship has been made by the company belonging to the Atresmedia Group, the Beneficiary shall be entitled to receive the total amount of the remuneration that would correspond to him/her according to the Remuneration Plan after its conclusion.

If the decision to terminate the employment or commercial relationship has been made by the Beneficiary, and this circumstance has been envisaged in the relevant Contract, the Beneficiary will be entitled to receive, on a pro rata basis, the remuneration that would correspond to him/her during the period in which the Beneficiary rendered his/her services to the company of the Atresmedia group, and such amount would be calculated on the basis of the total amount accrued after the expiry of the achievement period.

- i) Non-renewal of the appointment as Director by the General Meeting of Shareholders, upon the expiry of his/her term of office.



In the event that the employment or commercial relationship of the beneficiary with the Atresmedia group for a reason other than those stated above, such reason will be considered as a reason attributable to the Beneficiary (*bad leaver clause*), and consequently, the Beneficiary will not be entitled to receive any amount in accordance with the Remuneration Plan. For illustration purposes, and without limitation, the following may be considered reasons attributable to the Beneficiary (*bad leaver*):

- a) Voluntary resignation of the Beneficiary from his/her office.
- b) Lawful dismissal on disciplinary grounds, when it has been acknowledged by a Court decision or has not been contested.
- c) Any other form of lawful termination, either by Atresmedia Corporación or by the relevant company of the Atresmedia Group, of the employment or commercial relationship under which the beneficiary renders his/her services.

EFFECTIVENESS OF THE REMUNERATION POLICY

This Remuneration Policy will be effective in connection with the remuneration paid to the Directors of Atresmedia Corporación in 2021, 2022 and 2023 fiscal years.