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**REPORT DRAWN UP BY THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A. ON THE DRAFT RESOLUTIONS RATIFYING THE APPOINTMENT OF DIRECTORS, INCLUDED IN ITEMS 4.2. TO 4.7 OF THE AGENDA FOR THE ANNUAL GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 25 AND 26 OF APRIL, 2018, AT FIRST AND SECOND CALL RESPECTIVELY.**

**I. Subject-matter of the Report:**

The Board of Directors of PROMOTORA DE INFORMACIONES, S.A. (“PRISA” or the “Company”) draws up this report, in accordance with Article 529 decies of the Law on Capital Companies (Ley de Sociedades de Capital, “LSC”), to justify the following draft resolutions included as items 4.2 to 4.7 on the Agenda of the forthcoming Annual General Shareholders’ Meeting to be held on 25 of April 2018 at first call or, if the meeting is not quorate at that call, on 26 of April 2018 at second call:

- 4.2 Ratification of the appointment by co-option of Director Mr. Javier Monzón de Cáceres, with the category of independent director.
- 4.3 Ratification of the appointment by co-option of Director Mr Javier de Jaime Guijarro, with the category of independent director.
- 4.4 Ratification of the appointment by co-option of Director Mr Javier Gómez- Navarro Navarrete, with the category of independent director.
- 4.5 Ratification of the appointment by co-option of Director Mr Francisco Gil Díaz, with the category of other external directors.
- 4.6 Ratification of the appointment by co-option of Director Ms Sonia Dulá, with the category of independent director.
- 4.7 Ratification of the appointment by co-option of Director Amber Capital UK LLP, with the category of proprietary director, represented by Mr Fernando Martínez Albacete.

**II. Background and justification:**

**1. Background.**

As a result of the resignations of Mr. Ernesto Zedillo Ponce de León and Mr. Glen Moreno – submitted in advance of the earlier Extraordinary General Shareholders’ Meeting of 15 November 2017 – and of the following directors ceasing to hold office: Mr. Alfonso Ruiz de Assín Chico de Guzmán, Mr. Gregorio Marañón Bertrán de Lis, Mr. Alain Minc, Ms. Elena

Pisonero Ruiz and Mr. José Luis Leal Maldonado; – as approved by that General Meeting as matters arising, there are 8 unfilled vacancies on PRISA’s Board of Directors. The former Executive Chairman Mr. Juan Luis Cebrián Echarri also submitted his resignation with effect from 1 January 2018, leaving another vacancy on the Board of Directors.

The meeting of the Board of Directors held on 20 November 2017 co-opted the following directors to fill five of the vacancies on the Board: Mr. Javier Monzón de Cáceres, Mr. Javier de Jaime Guijarro, Mr. Javier Gómez Navarro Navarrete, Mr. Francisco Gil and Ms Sonia Dulá. Those directors were appointed as independent directors, save in the case of Mr. Francisco Gil, who is categorised as “another external director”.

The meeting of the Board of Directors held today, 22 March 2018, co-opted Amber Capital UK LLP and accordingly categorised as a proprietary director, represented by Mr Fernando Martínez Albacete.

## **2. Internal procedure for drawing up draft resolutions.**

Under Articles 244 and 529 decies of the LSC, appointments by co-option are provisional and must be ratified, if applicable, at the next general meeting held by the company following the appointment.

Furthermore, the following procedures laid down in the Rules of the Board of Directors of the Company and Article 529 decies of the LSC must be followed for the draft appointment or the ratification of the appointment by co-option of directors submitted for approval by general meetings:

- i. The draft appointments or ratifications of the appointment of directors which the Board of Directors submits for consideration by the General Meeting must be preceded by the corresponding draft resolution, in the case of independent directors, or, for all other directors, a report by the Appointments and Remuneration Committee.
- ii. The draft appointments or ratifications of the appointment of independent directors must be preceded by a report by the Corporate Governance Committee.
- iii. The foregoing will also apply to the individuals to be appointed as representatives of a director who is a legal entity.

Having regard for the foregoing, the PRISA Board of Directors:

- i. at the proposal of the Appointments and Remuneration Committee and subject to the report by the Corporate Governance Committee, proposes to ratify the appointment by co-option of Mr. Javier Monzón de Cáceres, Mr. Javier de Jaime Guijarro, Mr. Javier Gómez Navarro Navarrete and Ms Sonia Dulá, all with the category of independent directors, those appointments having been made by the Board of Directors meeting on 20 November 2017, to fill the vacancies arising on the Board as a result of the following directors leaving the Board: Mr. Alfonso Ruiz de Assín Chico de Guzmán, Ms Elena Pisonero Ruiz, Mr. Gregorio Marañón Bertrán de Lis, and Mr. Ernesto Zedillo y Ponce de León, who had all been appointed by the General shareholders’ Meeting held on 1 April 2016 for the four-year term under the articles of association.

- ii. with the favourable report by the Appointments and Remuneration Committee, it proposes to ratify the appointment by co-option of Mr. Francisco Gil Díaz, as another external director, made by the Board of Directors meeting on 20 November 2017 to fill the vacancy arising on the Board as a result of Mr. Alain Minc leaving the Board, having been appointed by the General Shareholders' Meeting held on 1 April 2016 for the four-year term under the articles of association,.
- iii. with the favourable report by the Appointments and Remuneration Committee, it proposes to ratify the appointment by co-option of Amber Capital UK LLP, represented by Mr Fernando Martínez Albacete, as a proprietary director, made by the Board of Directors meeting on 22 March 2018 to fill the vacancy arising on the Board as a result of Mr. Glen Moreno, who had been appointed by the General shareholders' meeting held on 1 April 2016 for the four-year term under the articles of association, leaving the Board.

The foregoing classification of the candidates in the categories of independent and proprietary directors and another external director, was proposed by the Appointments and Remuneration Committee, in compliance with Article 28.3.a) vi) of the Rules of the Board of Directors, on the basis of the definitions established for that purpose in Article 529 duodecies of the LSC.

The Board of Directors endorses all the terms of the draft resolutions and reports issued by the Company's Appointments and Remuneration and Corporate Governance Committees, for the purposes of justifying the proposals to which this report relates.

### **3. Terms of office.**

Because this is a case of appointments being ratified, the directors whose appointments are proposed for ratification are, in each case, appointed for the remainder of the term of office of the director whose vacancy was filled by co-option by the Board of Directors (Article 244 of the LSC).

Consequently, the term of appointment of the directors whose appointments are proposed for ratification to the General Meeting would end on 1 April 2020.

### **4. Justificatory report.**

To comply with paragraph 5 of Article 529 decies of the LSC, the Board of Directors has drawn up this report in which it assesses the competence, experience and merits of the directors whose appointments are proposed for ratification.

#### **4.1. Profiles of the directors whose appointments are proposed for ratification by the General Meeting:**

##### Mr. Javier Monzón de Cáceres

*"Javier Monzón is an economist and has worked in the financial, business and technology sectors. He was Director of Corporate Banking at Cajamadrid and Corporate Finance Managing Partner at Arthur Andersen.*

*He was Chief Financial Officer and Managing Director of Corporate Development at Telefónica, where he was also President of Telefonica Internacional.*

*He was the President of Indra from its creation in 1993 until 2015.*

*He is currently coordinating director and chairman of the Corporate Governance Committee of Ferroglobe, and a board member and chairman of the Risk, Regulation and Compliance Committee of Banco Santander (Spain). He was a member of the Supervisory Board of Lagardère for ten years, and a director of ACS for twelve years, and is currently still a director of ACS Servicios y Concesiones. He also invests in and advises technology-based start-ups and venture capital funds.*

*Javier Monzón is firmly committed to supporting entrepreneurship, education and innovation. He has been vice chairman of the Social Board of the Carlos III University and is currently chairman of the Executive Committee of the Fundación CyD (Conocimiento y Desarrollo) [Knowledge and Development Foundation], a patron-director of Endeavor Spain and a member of the International Advisory Council of Brookings.”*

It is also pointed out that Mr. Monzón was appointed a non-executive vice chairman of PRISA's Board of Directors on 22 February 2018 and is also a member of PRISA's Delegated Committee and chairman of the Appointments and Remuneration and Corporate Governance Committees.

#### Mr. Javier de Jaime Guijarro

*“Lawyer. Managing Partner of CVC Capital Partners and responsible for the offices in Spain and Italy. Javier de Jaime joined CVC in 1997 as Managing Director and during his tenure there oversaw a number major acquisitions.*

*He also worked at the British company 3i, where he held the positions of Investment Controller for the UK and Regional Director in Madrid.*

*He holds a law degree from the Universidad Pontificia de Comillas (ICADE) and an MBA from the University of Houston.”*

#### Mr. Javier Gómez- Navarro Navarrete

*“A leading politician and businessman. Gomez-Navarro was a founding shareholder of El País and manager of Cuadernos para el Diálogo, the influential cultural and political magazine, which played a key role in Spain's transition to democracy. In 1979, he was also active in the creation of the Ortega y Gasset Foundation. He also was active in setting up LIBER, the Professional Book Fair.*

*One of his most important contributions has been to the tourism sector in Spain, with the launching of the International Tourism Fair (FITUR), which he co-chaired in its early years. He served on its Board of Directors until 2000.*

*In January 1983 he was appointed CEO of Viajes Marsans. He was subsequently active in founding the airline Spanair.*

*In January 1987 he was appointed Secretary of State for Sports, and was entrusted with the organization of the Olympic Games in Barcelona. He was instrumental in the Sports Act of 1990 which led to a complete overhaul of Spanish sport.*

*In 1993, he was appointed Spain's Minister of Trade and Tourism and International Cooperation. He also was behind the new Trade Act, which regulates the retail trade in Spain and which modernized the commercial distribution sector.*

*Between April 2005 and July 2012 he was Executive Chairman of Aldeasa and he currently heads MBD, a company dedicated to business consulting, mergers and acquisitions."*

It is also pointed out that Mr. Gómez Navarro is a member of PRISA's Appointments and Remuneration and Corporate Governance Committees.

#### Mr. Francisco Gil

*"An economist and politician, Francisco Gil Díaz is chairman of Avanzia Group, a subsidiary of ACS, and Chairman of Telefónica Mexico.*

*He headed the Ministry of Finance and Public Credit during the administration of President Vicente Fox. Previously, he was Chair and CEO of Avantel, a telecommunications company and a member of the Board of Governors of Banco de Mexico.*

*The academic track of Mr. Gil Díaz includes being a Professor at ITAM, which named him Professor Emeritus and Doctor Honoris Causa, and he has taught at the Universidad Iberoamericana and at the National Autonomous University of Mexico. He has also lectured at a number of US universities such as Columbia, Harvard and Stanford, and business schools such as the London School of Economics, the Instituto Panamericano Business School and the Instituto de Empresa in Madrid.*

*He has published research on issues that range from monetary policy and the causes of the Latin American crisis to the deregulation of markets in both books and international magazines.*

*He serves as an independent director at Bancomer, Telefónica México, the Mexican Stock Exchange, and he is a member of several advisory boards, such as Fiat Chrysler of Mexico between others.*

*Gil Díaz is a prominent philanthropist, President of Dispensario Tonantzin, Board Member of the Dolores Olmedo Museum, the Rodolfo Diaz Perches Foundation for the care of cancer patients, and the Mexican Council for Philanthropy."*

#### Ms Sonia Dula

*"Is an economist and entrepreneur and, until March of 2018, was Vice Chairman at Bank of America Merrill Lynch. Prior to this position, she was head of Latin America Wealth Management at Merrill Lynch and head of Corporate and Investment Banking for Latin America, where she led several high profile transactions, and had oversight responsibility for mergers and acquisitions, public debt and equity issues and corporate loans.*

*Ms. Dulá began her career at Pemex in Mexico. She worked for nine years at Goldman Sachs, rising to leadership positions. Based in London, she was responsible for corporate and government clients in Spain, Italy and Portugal, and she led the privatizations of Telefonica, Endesa and Repsol of Spain and Telmex of Mexico.*

*After Goldman Sachs, Ms. Dulá became CEO of Telemundo Studios México. She was co-founder of two internet companies, Internet Group of Brazil and Obsidiana, the first online portal for Latin American women. Before joining Merrill Lynch, Ms. Dulá was CEO of Grupo Latino de Radio, a PRISA Group company with more than 500 radio stations in Latin America and the US Hispanic market.*

*Ms. Dulá is a life member of the Council on Foreign Relations. She has been a director on the board of The Council of the Americas, Women's World Banking, The Adrienne Arsht Center for the Performing Arts, and the Stanford Graduate School of Business Management Board. She was a member of Young Presidents Organization (YPO) and served on the Global Diversity & Inclusion Council of Bank of America.*

*Ms. Dulá ranks 4th on Fortune's list of the 50 Most Powerful Latinas (2018). She was also named among the 100 Most Influential Leaders by Hispanic Business magazine (2011) and the top 30 Business Women by the weekly Latin Business Chronicle (2012).*

*Ms. Dulá holds a degree in Economics, Magna Cum Laude, from Harvard University and an MBA from Stanford University”.*

It is also pointed out that Ms Dulá is a member of PRISA's Audit Committee.

Mr Fernando Martínez Albacete (representative of the director Amber Capital UK LLP)

Fernando Martínez is a professional in finance and management, in the field of media sector.

He was CFO of Prisa until 2017, where previously he held the positions of General Secretary and Director of Corporate Development and Strategic Planning, Control and Budgets.

Previously, he was Financial Director of Sogecable – open and pay TV Group - between 2001 and 2008, where he had previously participated in his IPO as head of investor relations.

He has been member of the Board of Directors of Sogecable / Canal +, Santillana, Prisa Radio and Diario As, among other companies.

He has a degree in Economics and Business from the Universidad Pontificia Comillas - ICADE.

#### **4.2. The Board of Directors' assessment.**

The Board has assessed the following aspects relating to the directors whose appointments are proposed for ratification:

- i. Ongoing commitment capacity;
- ii. Previous performance in the office;
- iii. Relevance and suitability of their knowledge, aptitudes and experience to the professional profiles defined by the Board in PRISA's "Director Selection Policy";
- iv. Continued satisfaction of the requirements for the type of director in question.

*Ongoing commitment capacity:*

As regards their ongoing capacity to commit to performing the office as PRISA directors, it has been found that the directors' other professional occupations, which are included in the professional profiles set out above, mean that they can commit themselves adequately to the Board of Directors and other committees of which some of them are members in PRISA.

*Previous performance in the office:*

In respect of their previous performance the Board finds that the high level of attendance in person and the contributions by the directors to meetings of the Board and of the committees of which some of them form part justify proposing ratification of their appointment.

However, this issue is not assessable for Ms. Sonia Dulá who has formally accepted the position of PRISA's director on March 19, 2018 (although with retroactive effects on the date of her appointment on November 20, 2018), due to the internal procedures in compliance that the director had to comply with in another entity where she held a managerial position.

This issue is not assessable either for Mr Fernando Martínez Albacete, the individual representing the director Amber Capital UK LLP, who was appointed director by co-option on the date of this report, although it is pointed out that Mr Fernando Martínez Albacete has spent his entire career with PRISA Group (from 1993 to 2017), holding various posts, both in the business units and at the Corporate Centre. Mr Martínez held the office of Chief Financial Officer of PRISA Group and was a member of the Executive Committee at the time he left the Group, and he therefore has solid financial expertise and, furthermore, is very familiar with PRISA Group's business. The Board has assessed the experience and brilliant career of Mr Martínez and believes it is very much in the Company's interests to include him on the Board as representative of Amber Capital UK LLP.

When drafting this report, the Board of Directors has also taken into consideration that Amber Capital UK LLP is currently the largest shareholder of the Company, with a 26.348% shareholding in the share capital of PRISA, as disclosed to the CNMV.

*Relevance and suitability of their knowledge, aptitudes and experience to the professional profiles defined by the Board in PRISA's "Director Selection Policy":*

Analysis of the suitability of the directors whose appointments are proposed for ratification has taken their career paths and professional profiles very much into account. Having analysed their curriculum vitae, the Board of Directors is of the view that the profiles of those directors satisfy the requirements relating to the knowledge and experience necessary to perform the office under the Rules of the Board of Directors and the LSC, and believes that they complement and enrich the Board as a whole.

The requirements set out in PRISA's Director Selection Policy are also met: the directors whose appointments are proposed for ratification are professionals of proven expertise and professional and personal integrity, who will enhance the diversity of knowledge, experience and background amongst the members of the Board of Directors and who also satisfy the necessary capacity and compatibility requirements. These directors' international professional profiles are also suited to the specific needs of the business the Company carries on in the sectors in which it operates.

*Continued satisfaction of the requirements for the type of director in question.*

The Board has also analysed continued satisfaction of the requirements under Article 529 duodecies of the LSC depending on the type of director in question: i) in respect of the independent directors (Mr. Javier Monzón, Mr. Javier de Jaime, Mr. Javier Gómez Navarro, and Ms Sonia Dulá), there are found to be no personal or professional circumstances adversely affecting their status as independent directors; ii) in respect of Mr. Francisco Gil, he should continue to be regarded as “another external director” in so far as Mr. Gil was the Executive Chairman of Telefónica México until June 2016 (Telefónica México is a subsidiary of Telefónica, S.A., a significant shareholder in PRISA) and Article 529 duodecies, paragraph 4.a) by reference to paragraph j) provides that persons who have been executive directors of any significant shareholder cannot under any circumstances be regarded as independent directors, unless 5 years have elapsed since that relationship ended; iii) in respect of the proprietary shareholder Amber Capital UK LLP it has been found that it is a significant shareholder and continues on the date hereof to have a significant shareholding in the Company’s capital.

The Board also includes below the reports issued by the Appointments and Remuneration Committee justifying individually the ratification of the appointments of Mr. Francisco Gil and Amber Capital UK LLP (represented by Mr Martínez), in so far as that report must be issued because they are not independent directors.

Accordingly the Board, in the light of the individual analysis carried out in relation to each director whose appointment is proposed for ratification, finds that the competence of those people as directors is sufficiently proven and that they will undoubtedly bring plurality of points of view to discussion of the business of the Board of Directors. As the result of analysing the Company’s requirements in terms of corporate governance and having regard for the current overall composition of the Board, the Board also values the relevance of the proposed ratifications of appointments, which furthermore contribute to keeping a high percentage of independent directors.

#### **V. Draft resolutions put to the general shareholders’ meeting for approval:**

In the light of what has been set out in this report, the Board of Directors puts the following draft resolutions before the Annual General Shareholders’ Meeting:

##### **Item 4.2. of the Agenda:**

At the proposal of the Appointments and Remuneration Committee, following a report from the Corporate Governance Committee, it is proposed the ratification of the appointment by co-option of Mr Javier Monzón de Cáceres as independent director, issued by the Board of Directors’ meeting of 20 November 2017, to fill the vacancy generated on the Board following the resignation of the director Mr Alfonso Ruiz de Assín Chico de Guzmán, who had been appointed by the General Shareholders’ Meeting held on 1 April 2016 for a period of four (4) years.

It is resolved to ratify the appointment by co-option of Mr. Javier Monzón de Cáceres as independent director, made by the Board of Directors meeting of 20 November 2017, for the same term for which the director whose vacancy on the Board is covering was appointed.

**Item 4.3. of the Agenda:**

At the proposal of the Appointments and Remuneration Committee, following a report from the Corporate Governance Committee, it is proposed the ratification of the appointment by co-option of Mr. Javier de Jaime Guijarro as independent director, issued by the Board of Directors' meeting of 20 November 2017, to fill the vacancy generated on the Board following the resignation of the director Ms Elena Pisonero Ruiz, who had been appointed by the General Shareholders' Meeting held on 1 April 2016 for a period of four (4) years.

It is resolved to ratify the appointment by co-option of Mr. Javier de Jaime Guijarro as independent director, made by the Board of Directors meeting of 20 November 2017, for the same term for which the director whose vacancy on the Board is covering was appointed.

**Item 4.4. of the Agenda:**

At the proposal of the Appointments and Remuneration Committee, following a report from the Corporate Governance Committee, it is proposed the ratification of the appointment by co-option of Mr Javier Gómez- Navarro Navarrete as independent director, issued by the Board of Directors' meeting of 20 November 2017, to fill the vacancy generated on the Board following the resignation of the director Mr Gregorio Marañón Bertrán de Lis, who had been appointed by the General Shareholders' Meeting held on 1 April 2016 for a period of four (4) years.

It is resolved to ratify the appointment by co-option of Mr. Javier Gómez -Navarro Navarrete as independent director, made by the Board of Directors meeting of 20 November 2017, for the same term for which the director whose vacancy on the Board is covering was appointed.

**Item 4.5 of the Agenda:**

Following a report from the Appointments and Remuneration Committee, the Board of Directors proposes the ratification of the appointment by co-option of Mr Francisco Gil Díaz as other external director, issued by the Board of Directors' meeting of 20 November 2017, to fill the vacancy generated on the Board following the resignation of the director Mr Alain Minc, who had been appointed by the General Shareholders' Meeting held on 1 April 2016 for a period of four (4) years.

It is resolved to ratify the appointment by co-option of Mr. Francisco Gil Díaz as other external director, made by the Board of Directors meeting of 20 November 2017, for the same term for which the director whose vacancy on the Board is covering was appointed.

**Item 4.6 of the Agenda:**

At the proposal of the Appointments and Remuneration Committee, following a report from the Corporate Governance Committee, it is proposed the ratification of the appointment by co-option of Ms Sonia Dulá as independent director, issued by the Board of Directors' meeting of 20 November 2017, to fill the vacancy generated on the Board following the resignation of the director Mr Ernesto Zedillo y Ponce de León, who had been appointed by the General Shareholders' Meeting held on 1 April 2016 for a period of four (4) years.

It is resolved to ratify the appointment by co-option of Ms Sonia Dulá as independent director, made by the Board of Directors meeting of 20 November 2017, for the same term for which the director whose vacancy on the Board is covering was appointed.

**Item 4.7 of the Agenda:**

Following a report from the Appointments and Remuneration Committee, the Board of Directors proposes the ratification of the appointment by co-option of Amber Capital UK LLP, represented by Mr Fernando Martínez Albacete, as proprietary director, issued by the Board of Directors' meeting of 22 March 2018, to fill the vacancy generated on the Board following the resignation of the director Mr Glen Moreno, who had been appointed by the General Shareholders' Meeting held on 1 April 2016 for a period of four (4) years.

It is resolved to ratify the appointment by co-option of Amber Capital UK LLP as proprietary director, made by the Board of Directors meeting of 22 March 2018, for the same term for which the director whose vacancy on the Board is covering was appointed.

Mr Fernando Martínez Albacete will be the individual representing Amber Capital UK LLP.

In Madrid, 22 March 2018



**REPORT DRAWN UP BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PROMOTORA DE INFORMACIONES, S.A. ON THE PROPOSAL OF RATIFYING THE APPOINTMENT OF MR FRANCISCO GIL DÍAZ, INCLUDED IN ITEM 4.5 OF THE AGENDA FOR THE ANNUAL GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 25 AND 26 OF APRIL 2018, AT FIRST AND SECOND CALL RESPECTIVELY.**

The Appointments and Remuneration Committee of PROMOTORA DE INFORMACIONES, S.A. ("PRISA" or the "Company"), under the provisions of Article 28.3 a) iv) of the Board of Directors Regulations, issues this favourable report on the proposal to ratify, at the next Ordinary General Meeting of Shareholders, the appointment by co-option of Mr. Francisco Gil made by the Board of Directors on 20 November 2017 to fill the vacancy arising on the Board after the departure of the director Mr. Alain Minc, who had been appointed by the General Meeting held on 1 April 2016, for the four-year term stipulated by the articles of association.

Furthermore, pursuant to the provisions of Article 28.3 iv) of the Board of Directors Regulations, the Appointments and Remuneration Committee proposes that Mr. Gil be given the status of "other non-executive director", given that Mr. Gil was Executive Chairman of Telefónica Mexico until June 2016 (Telefónica Mexico is a subsidiary of Telefónica, S.A., which is a significant shareholder of PRISA) and considering the criteria laid down for this purpose by Article 529 *duodecies* of the Spanish Capital Companies Act (LSC), section 4.a) of which, in combination with section 4.j), establishes that persons who have been executive directors of a significant shareholder may not be considered independent directors, unless five years have elapsed since that relationship ended.

This report will be made available to the shareholders at the time of the notice of the General Meeting of Shareholders, in compliance with the provisions of Articles 518 and 529 *decies* of the LSC.

Professional and biographical profile

*"An economist and politician, Francisco Gil Díaz is chairman of Avanzia Group, a subsidiary of ACS, and Chairman of Telefónica Mexico.*

*He headed the Ministry of Finance and Public Credit during the administration of President Vicente Fox. Previously, he was Chair and CEO of Avantel, a telecommunications company and a member of the Board of Governors of Banco de Mexico.*

*The academic track of Mr. Gil Díaz includes being a Professor at ITAM, which named him Professor Emeritus and Doctor Honoris Causa, and he has taught at the Universidad Iberoamericana and at the National Autonomous University of Mexico. He has also lectured at a number of US universities such as Columbia, Harvard and Stanford, and business schools such as the London School of Economics, the Instituto Panamericano Business School and the Instituto de Empresa in Madrid.*

*He has published research on issues that range from monetary policy and the causes of the Latin American crisis to the deregulation of markets in both books and international magazines.*

*He serves as an independent director at Bancomer, Telefónica México, the Mexican Stock Exchange, and he is a member of several advisory boards, such as Fiat Chrysler of Mexico between others.*

*Gil Díaz in a prominent philanthropist, President of Dispensario Tonantzin, Board Member of the Dolores Olmedo Museum, the Rodolfo Diaz Perches Foundation for the care of cancer patients, and the Mexican Council for Philanthropy.”*

Favourable report on the proposal to ratify the appointment of Mr. Francisco Gil:

The Appointments and Remuneration Committee considers Mr. Gil to be a professional of proven worth, whose past performance and reputation prove that he has the necessary competencies, experience and merits to occupy the position of director of the Company.

Madrid, 22 March 2018



**REPORT DRAWN UP BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PROMOTORA DE INFORMACIONES, S.A. ON THE PROPOSAL OF RATIFYING THE APPOINTMENT OF AMBER CAPITAL UK LLP, REPRESENTED BY MR FERNANDO MARTÍNEZ ALBACETE, INCLUDED IN ITEM 47 OF THE AGENDA FOR THE ANNUAL GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON 25 AND 26 OF APRIL 2018, AT FIRST AND SECOND CALL RESPECTIVELY.**

The Appointments and Remuneration Committee of PROMOTORA DE INFORMACIONES, S.A. ("PRISA" or the "Company"), under the provisions of Article 28.3 a) iv) of the Board of Directors Regulations, issues this favourable report on the proposal to ratify, at the next Ordinary General Meeting of Shareholders, the appointment by co-option of Amber Capital UK LLP, represented by Mr Fernando Martínez Albacete, made by the Board of Directors on 22 March 2018 to fill the vacancy arising on the Board after the departure of the director Mr. Glen Moreno, who had been appointed by the General Meeting held on 1 April 2016, for the four-year term stipulated by the articles of association.

Furthermore, pursuant to the provisions of Article 28.3 iv) of the Board of Directors Regulations, the Appointments and Remuneration Committee proposes that Amber Capital UK LLP be given the status of "proprietary director", given that Amber Capital UK LLP has been appointed director on behalf of the shareholder Amber Capital UK LLP, which maintains a significant stake in the capital of the company to date.

This report will be made available to the shareholders at the time of the notice of the General Meeting of Shareholders, in compliance with the provisions of Articles 518 and 529 *decies* of the LSC.

Ratification of the appointment of Amber Capital UK LLP as director of the Company with the category of proprietary director, represented by Mr Fernando Martínez Albacete

This report seeks to justify that the proposal for the ratification of Amber Capital UK LLP is based on a prior analysis of the needs of PRISA's Board of Directors.

In particular, this report considers that, in order to properly exercise its functions, the Board, as a whole, must meet the competencies and knowledge, among others, in connection with the Company and the Group, the industry and markets in which it operates, the economic and financial situation, as well as the accounting, audit or risk management, and the management, leadership and business strategy.

In the case of directors who are legal entities, the personal qualities of the individual who has been proposed as its representative must be considered.

The proposal for the appointment of Amber Capital UK LLP by co-option as member of the Board of Directors with the category of external proprietary director should be analysed taking into consideration essentially that such company is currently the largest shareholder of PRISA, with a 26.348% shareholding in the company, as disclosed to the CNMV.

Additionally, this report seeks to value the suitability of Mr Fernando Martínez Albacete as the individual representing Amber Capital UK LLP.

#### Professional and biographical profile

Fernando Martínez is a professional in finance and management, in the field of media sector.

He was CFO of Prisa until 2017, where previously he held the positions of General Secretary and Director of Corporate Development and Strategic Planning, Control and Budgets.

Previously, he was Financial Director of Sogecable – open and pay TV Group - between 2001 and 2008, where he had previously participated in his IPO as head of investor relations.

He has been member of the Board of Directors of Sogecable / Canal +, Santillana, Prisa Radio and Diario As, among other companies.

He has a degree in Economics and Business from the Universidad Pontificia Comillas - ICADE.

Mr Fernando Martínez Albacete has spent his entire career with PRISA Group (from 1993 to 2017), holding various posts, both in the business units and at the Corporate Centre.

Mr Martínez held the office of Chief Financial Officer of PRISA Group and was a member of the Executive Committee at the time he left the Group, and he therefore has solid financial expertise and, furthermore, is very familiar with PRISA Group's business.

The Board has assessed the experience and brilliant career of Mr Martínez and believes it is very much in the Company's interests to include him on the Board.

#### Favourable report on the proposal to ratify the appointment of Amber Capital UK LLP as director of the Company represented by Mr Fernando Martínez Albacete

The Appointments and Remuneration Committee considers Amber Capital UK LLP is suited to the post of director of the Company and that its representative Mr Fernando Martínez Albacete is a professional of proven worth, whose past performance and reputation prove that he has the necessary competencies, experience and merits to occupy the position of director of the Company.

Madrid, 22 March 2018