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**PROMOTORA DE INFORMACIONES, S.A.  
(PRISA)**

**APPOINTMENTS, COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE**

**ANNUAL REPORT  
2020**

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Madrid, March 2021.

# ANNUAL REPORT OF THE APPOINTMENTS, COMPENSATION AND CORPORATE GOVERNANCE COMMITTEE

2020

## I. INTRODUCTION

The Appointments, Compensation and Corporate Governance Committee of PROMOTORA DE INFORMACIONES, S.A. (“PRISA” or the “Company”) (hereafter the “Committee” or the “CNRGC”) hereby issues this report to enable the Board of Directors to inform shareholders about the Committee’s work and activities during 2020.

The Committee is governed by article 529 quincecies of the Capital Companies Act (LSC), the company’s bylaws, and PRISA’s Board of Directors Regulation.

## II. COMPOSITION

In 2020 the following changes were made in the Committee’s composition:

- Ms. Sonia Dulá chaired the Committee until the time of her resignation as director, in December 2020. The independent director Ms. Beatriz de Clermont-Tonerre replaced her as chair of the Committee.
- Independent director Mr Javier de Jaime Guijarro joined this Committee in June 2020 and ceased to be part of it in December 2020.
- Los consejeros D. Dominique D’Hinnin y D. Javier Santiso se incorporaron a la Comisión en diciembre de 2020.
- The independent director, Mr Javier Gómez-Navarro, ceased to be a director of the Company and, therefore, a member of the Commission, after his term of office came to an end on the date of the Shareholders' Meeting held on June 29, 2020.

The composition of the CNRGC as of 31 December 2020 was as follows:

<b>Position</b>	<b>Director</b>	<b>Category</b>	<b>Date joining the Committee</b>
Chairperson	Ms Beatrice de Clermont	External Independent Director	30.07.2019
Member	Mr Joseph Oughourlian	External Proprietary director	25.04.2018
Member	Mr Dominique D’Hinnin	External Independent Director	22.12.2020
Member	Mr Javier Santiso Guimaras	External Independent Director	22.12.2020

However, it is noted that after the closure of the financial year 2020, in February 2021, Mr. Joseph Oughourlian has been appointed Non-Executive Chairman of the Board of Directors, at the proposal and prior report of the CNRGC, within the framework of the Succession Plan that was launched by the Board after the

cessation of the previous Chairman of the Board, last December. Following this appointment, Mr. Oughourlian has ceased to be part of this Committee, being replaced by the independent director Mr. Rosauro Varo.

The Committee’s composition complies with the requirements of current legislation and the Company’s Board of Directors Regulation, which states that the CNRGC shall consist of a minimum of three and a maximum of five non-executive directors, the majority of whom must be independent directors and with an independent director in the role of chairperson.

CNRGC members were appointed taking into consideration that their knowledge, aptitudes and experience are adequate for the duties they have to perform. It is particularly noteworthy that the Commission, as a whole, has knowledge and experience in the following areas identified in the Board Regulations and in National Securities Market Commission’s (CNMV) “Technical Guidelines 1/2019 on Appointments and Compensation Committees” (CNMV Technical Guidelines): corporate governance issues, strategic analysis and evaluation of human resource, recruitment of directors and managers, performance of senior management functions and design of remuneration policies and plans for directors and senior managers.

The profiles of committee members are available on the company’s corporate webpage using the following link:

<https://www.prisa.com/es/info/consejo-de-administracion-y-comisiones-del-consejo>.

In addition, and also in accordance with recommendations contained in the CNMV Technical Guidelines, the committee’s composition is diverse in terms of geographical origin, international and sectoral professional experience, personal skills and abilities. Likewise, in terms of gender diversity, it is clear that the composition of the Commission was equal until December 2020, when Ms. Sonia Dulá, former chairman of the Commission, resigned as director.

The committee secretary is the secretary to the board of directors.

### **III. COMMITTEE MEETINGS IN 2020 AND OUTSIDE CONSULTATION**

#### **1. Committee Meetings:**

The Board of Directors Regulation provides that the CNRGC shall meet each time the Board of Directors or the Delegated Committee requests a report or the approval of proposals that fall within the scope of its powers and provided that the committee chairperson deems it warranted in the performance of their duties.

The following committee meetings were held in 2020:

<b>Meeting Date</b>	<b>No. of Committee Members</b>	<b>No. of Members in Attendance</b>	<b>Prisa Managers in Attendance</b>	<b>Outside Consultants in Attendance</b>
28 January	4	4	YES	NO
12 February	4	4	YES	NO
25 February	4	4	NO	NO

30 April	4	4	YES	YES
19 May	4	4	NO	NO
26 May	4	3	NO	NO
15 June	4	4	YES	NO
3 July	4	4	YES	YES
28 July	4	4	YES	NO
27 October	4	3	NO	NO
16 November	4	3	NO	NO
22 December	3	3	NO	YES

The Committee maintained a constant working relationship with the Chairman of the Board and the CEO. Likewise, several of the Company's managers attended committee meetings to explain initiatives related to their areas of responsibility. Such was the case of CEO Mr. Manuel Mirat (to address matters concerning appointments and compensation for the management team); the General secretary, Mr. Xavier Pujol; the Director of Human Relations and Talent Management Ms. Marta Bretos and Director of Organization and Management Development Ms. Lourdes Fernández de la Riva (to report on human resources projects); CFO Mr. Guillermo de Juanes, and Director of Risk Control and Management Control, Mr. Jorge Bujía (to report on whether certain financial indicators were met with regard to the variable remuneration of the Company's CEO and senior management); and Chief of Communication and Institutional Relations Mr. Jorge Rivera, and Ms. Beatriz Ledesma, Chief of Corporate Social Responsibility and Corporate Image (to present the Corporate Social Responsibility Report).

## 2. Outside Consultation

During 2020, the Committee received independent external advice for several matters, from various advisers,;

External Adviser	Matter on which advice was provided
KPMG Asesores	Annual evaluation of the Board of Directors; Annual Sustainability Report; some questions regarding remuneration.
Russell Reynolds	Board's skills matrix
Willis Tower Watson	Review of the terms of employment of the CEO and some senior managers; some matters concerning remuneration.
Uría&Menéndez	Review of the terms of employment of the CEO and some senior managers; review of the internal regulations of the Company (including Directors' remuneration policy).
Gómez Acebo&Pombo	Directors Remuneration Report Review.

Some employees of said firms attended meetings of the Committee to report on the matters which they reviewed.

According to information available to the company, there was never, nor is there now, any potential conflict of interest with those outside advisors.

#### **IV. COMMITTEE ACTIVITIES DURING 2020**

In addition to the duties assigned the CNRGC by law, it has the powers conferred upon it pursuant to article 28 of the Board of Directors Regulation.

The Committee promptly informed the Board of Directors of its deliberations and actions taken on the following matters:

##### **1. Composition of the Board of Directors and of its Committees:**

The CNRGC reviewed the composition of the Board of Directors, on the occasion of the expiration of positions and the cessation and resignation of certain directors..

###### **i. Changes in the composition of the Board of Directors:**

- At the proposal of the Board of Directors and the CNRGC, the attendees at the extraordinary shareholders meeting held on January 2020, ratified the interim appointment and reelection of Ms. María Teresa Ballester as independent director. Ms. Ballester had been appointed director, by co-option, in the Board of Directors on July 30, 2019.
- At the annual shareholders meeting held in June 2020, and pursuant to the provisions of article 222 of the Corporate Enterprises Act, the mandates of eight directors expired: independent directors Messrs. Javier Monzón de Cáceres, Javier de Jaime Guijarro and Javier Gómez-Navarro Navarrete and Ms. Sonia Dulá, and directors representing significant shareholdings Mr. Joseph Oughourlian, Amber Capital UK LLP (represented by Mr. Fernando Martínez Albacete), Mr. Manuel Polanco Moreno and Mr. Khalid Thani Abdullah Al Thani. At the Board's proposal, shareholders at the annual meeting reelected all of them with the exception of Mr. Javier Gómez-Navarro, who had declined reelection, having determined to focus his professional activities on other areas.

The independent directors were reelected at the CNRGC's proposal, and the CNRGC likewise issued a prior report concerning the reelection of the directors representing significant shareholdings, pursuant to the LSC and the Board of Directors Regulation.

At that same shareholders meeting it was resolved to reduce the number of members on the Board from 13 to 12.

- Mr. Javier Monzón de Cáceres, who was the non-executive chairman of the Board of Directors, was removed as director during the extraordinary shareholders meeting held on December 18, 2020, as the result of the approval of an off-agenda resolution presented by shareholder Amber Capital, which received a 52.201% favorable vote of the quorum present at the meeting.

From that time Mr. Joseph Oughourlian (then Non-Executive Vice President) was serving as chairman of the Board, pursuant to the Board of Directors Regulation.

On February 23, 2021, the Board of Directors approved a series of changes to drive the transformation of the Group, including the appointment of Mr Joseph Oughourlian as Non-Executive Chairman, at the proposal and prior report of the CNRGC, within the framework of the Succession Plan launched by the Board of Directors after the cessation, last December, of the previous Chairman of the Board.

- Independent director Ms. Sonia Dulá presented her resignation from the Board on December 18, 2020 due to the fact that in view of her new personal and professional circumstances, she could no longer devote the time and attention that the post of independent PRISA director requires.
- Given the vacancies on the Board resulting from the respective removal and resignation of Mr. Javier Monzón de Cáceres and Ms. Sonia Dulá, at its December 22, 2020 meeting and at the proposal of the CNRGC, the Board of Directors appointed Messrs. Javier Santiso and Rosauro Varo as interim independent directors.
- Likewise, it is noted that in February 2021 and after the appointment of Mr. Oughourlian as Chairman of the Board, Mr. Rosauro Varo has been appointed Vice Chairman of the Board of Directors. Also in February 2021, Mr. Javier de Jaime Guijarro has resigned as director and to fill this vacancy, the Board of Directors has appointed Ms. Pepita Marín Rey-Stolle as independent director.
- For all of the above, the biographies, experience and professional careers of the directors to be reelected or appointed were assessed and evaluated, and their conformity with the skills matrix approved by the CNRGC was taken into account, and with the Policy on Diversity of the Board of Directors and Director Selection was taken into account. Likewise taken into consideration in the case of directors representing significant shareholdings, is the fact that they were nominated for reelection by the shareholders they represent, who hold relevant interests in the Company's capital. In that regard, it should be noted that these directors represent relevant shareholders who propose their appointments based on their own considerations, on which the Board as a whole may offer recommendations, but not exercise a decisive influence.

When the Notices of Annual Shareholders Meetings were issued, the required reports in support of the above, issued by the Board of Directors and the CNRGC, were made available to shareholders.

ii. Appointment of Coordinating Director:

At the CNRGC's proposal, following recommendations of the Code of Good Governance for Listed Companies ("CBG"), and with a view to reinforcing the role of women on PRISA's governing bodies, the Board at its December 2020 meeting resolved to appoint Ms. Beatriz de Clermont as Coordinating Director.

iii. Composition of the Board's Committees:

At the CNRGC's proposal, during 2020 (and also in the first quarter of 2021) the Board of Directors passed several resolution reorganizing the structure of the Board's committees.

iv. Qualitative composition of the Board

The CNRGC proposed classifying directors in the different categories of external proprietary director and external independent director, when they are appointed or re-elected.

The CNRGC also examined the classification of directors in categories when preparing the Annual Corporate Governance Report for 2019, which the CNRGC will do again shortly when it reviews the Annual Corporate Governance Report for 2020.

v. Board's skills matrix

CNRGC has approved a matrix of competencies for the Board of Directors, in accordance with the best practices and market standards and with the independent external advice of Russell Reynolds.

vi. Policy on Diversity of the Board of Directors and Director Selection and objective in terms of gender diversity:

The Company's Directors Selection Policy was initially approved in December 2015, and was amended by the Board of Directors in November 2020 principally to adapt it to the new recommendations of the CBG, which the CNMV approved in June 2020. After that amendment, the policy's title was changed to "Policy on Diversity of the Board of Directors and Director Selection" (hereinafter, "the Policy").

The Policy's principles and objectives may be summarized as follows:

- Achievement of diversity in the Board's composition in the broadest sense (knowledge, experience, origin, age and gender), with special emphasis on gender diversity, in relation to which: i) efforts will be made to ensure that there is a significant number of women in the Company's senior management ii) objective of obtaining before the end of 2022 and onward a minimum of 40% women directors on the Board, not having previously been less than 30%.
- Appropriate balance on the Board overall, to enrich the decision-making process and provide plural viewpoints when debating matters falling within its powers.

At its January 2021 meeting the CNRGC carried out its annual review of compliance with this Policy, concluding that the composition of the Board of Directors is reasonably diverse with regard to the directors' knowledge, experience, origin and age, having a positive balance overall, but not so in matters of gender diversity.

The CNRGC verified that during 2020 the principles, objectives and procedures provided for in the Policy on Diversity of the Board of Directors and Director Selection were taken into account in proposals for the appointment and reelection of

directors, as well as election to other posts, without prejudice to the reservations expressed regarding gender diversity.

During the director selection processes that the Company has carried out in 2020 diversity has been a guiding criterion with regard to the composition of the Board of Directors. As 2020 commenced, the CNRGC intended to implement a plan to identify female candidates and to give them preference when proposing the appointment of new non-proprietary external directors to cover vacancies that might arise on the Board. Further details on this plan and the reasons why it was not possible to appoint more women to the Board in 2020 are provided in the Annual Corporate Governance Report.

Until December 2020 the Company had three women directors, who represented 25% of the total board members. However, after Ms. Sonia Dulá's resignation on December 18, 2020, the number of female directors was reduced to two and, thus, at the closing of the 2020 fiscal year the women directors represented 16.66% of the total board members.

However, it is noted that in February 2021 the director Mr. Javier de Jaime Guijarro resigned, in addition to professional reasons and lack of availability, due to his desire to improve gender diversity on the Board of Directors of PRISA, which would facilitate leaving a vacant vacancy on the Board. To fill this vacancy, the Board has appointed Mrs. Pepita Marín Rey-Stolle as a director, by co-option, so that the representation of women on the Board has once again increased to 25%.

The female directors maintain a notable presence on company bodies. Ms. Beatriz de Clermont-Tonnerre is the Coordinating Director, Chairperson of the CNRGC, and a member of the Delegated Committee, while Ms. María Teresa Ballester and Mrs. Pepita Marín Rey-Stolle are members of the Audit, Risk and Compliance Committee.

The CNRGC and the Board have both stated that resolving the lack of gender diversity on the Board of Directors will be a priority in 2021. The required measures will have to be taken to comply with the CNMV's new objective (and expressly included in the Policy) for women to hold at least 40% of board directorships before the end of 2022 and beyond, the prior figure having been set at a minimum of 30%. There will also have to be support for hiring a greater number of female managers.

## **2. Group's management:**

The CNRGC reported on proposed appointments of some key managers and the basic conditions of their contracts.

The CNRGC has also reviewed the terms of employment and remuneration of some key managers in order to unify the criteria applied and carry out a market comparison, with independent external advice provided by law firm Uría & Menéndez and by Willis Towers Watson.

## **3. Compensation policy for directors and senior management:**

### **i. Directors' Compensation Policy.**

*Reduction in the remuneration of directors and Senior Management:*



In April 2020 and within the framework of the crisis caused by the COVID-19 which has led to an unprecedented situation, with social and economic extraordinary impacts, the Company in order to mitigate the negative impact of the situation (which had an special effect on the main sources of income generation of all kind of media) and by resolution of the Board of Directors, put in place a contingency plan to adequate the cost structures of the businesses to the circumstances, including a reduction in the directors remuneration (20%) and in the annual remuneration of the Chief Executive Officer and the Senior Management (of around 35%), for the period between April and December 2020.

Such actions are aligned with the principles set forth in the Company's Remuneration Policy, by virtue of which the remuneration of the directors must be consistent with the best market practices and reflect the current situation, prospects and aims of sustainable growth of the Company, keeping a reasonable proportion with its economic and financial situation.

*Amendment to the Directors' Compensation Policy:*

PRISA's Directors' Compensation Policy for 2018, 2019 and 2020 was approved by the General Shareholders' Meeting on 25 April 2018 and subsequently modified with the approval of the General Shareholders' Meeting of 3 June 2019.

Subsequently, the Extraordinary Shareholders' Meeting held on 18 December 2020 voted by 95.47% in favour of an updated text of the Directors' Compensation Policy proposed by the Board of Directors and the CNRGC. Said text applies to 2020 (completing and updating the text approved in April 2018 and June 2019) and 2021 ("Compensation Policy").

The updated text of the Compensation Policy was approved in line with the Company's aim of constantly updating and reviewing its corporate governance system to align it with best practice in the field. The new text of the directors' remuneration policy gives continuity the Company's remuneration policy in force in the previous years and, therefore, it maintains to a large extent the previous wording. Particularly, the proposed updates to the text of the remunerations policy are mainly aimed to:

- delete from the text of the policy certain compensation items that have already been credited in previous years and, therefore, are no longer applicable;
- adjust the text of the policy to certain amendments of the CEO's services agreement which has been carried out during the current financial year;
- provide certainty to the market regarding the compensation policy that the Company will apply during fiscal year 2021 prior to the commencement of such fiscal year;
- envisage a new extraordinary incentive related with key strategic transactions that PRISA was carrying out, and
- adapt its content to the new recommendations set forth in the Spanish Corporate Governance Code for Listed Companies approved by the CNMV in June 2020.

The Company received independent external advice from law firm Uría & Menéndez for this task.

ii. Directors' Compensation Report

The CNRGC proposed the Compensation Report for the Board of Directors for 2020, with information concerning the application of the 2019 compensation policy, which was submitted for approval on a consultative basis at the ordinary shareholders meeting of 29 June 2020 and received a 99.99% favorable vote. The Company received external advice from Gómez-Acebo & Pombo Abogados in the preparation of that report.

The CNRGC is already working on the corresponding report for 2021, which will explain the application of the compensation policy during 2020.

iii. Compensation for the CEO and Senior Management.

*2019 annual variable remuneration:*

In 2020, the CNRGC analyzed the objectives achieved by the CEO and the Group's senior managers for 2019, and approved payment of the corresponding amounts.

In this regard, it should be noted that the CEO expressed his position to waive the annual variable remuneration that may correspond to him in 2019, in order to align with the complex environment in which the group operated and the consequences that it had on the net result of the Company. The Board of Directors, supported by the ACCGC, resolved to exclude said annual variable remuneration from his 2019 remuneration.

*2020 annual variable remuneration:*

In April 2020 and in the context of the COVID-19 crisis, the CEO and members of PRISA's Senior Management voluntarily waived, in relation to the financial year 2020, the part of the annual variable remuneration linked to quantitative objectives (that is, 80% of the target amount), and accepted a 10% reduction in their 2020 fixed salaries from April to December, a decision that was endorsed by the ACCGC and approved by the PRISA Board of Directors.

Consequently, for the purposes of the annual variable remuneration of the CEO and Senior Management for the financial year 2020, the parameters to be used to calculate said remuneration will be based solely on variables which measure individual performance (whose weight will be 20% of the target), based on competences approved by the CNRGC and the Board of Directors.

It should also be noted that in January 2021 the CEO and the General Secretary announced their decision to waive the qualitative part of their variable remuneration for 2020.

*Multiyear variable compensation 2018-2020*

The CNRGC has reviewed compliance with the medium-term incentives plan for 2018-2020, with independent external advice provided by KPMG.

### *Extraordinary Compensation Plans linked to strategic operations*

In 2020, the Board of Directors, based on a proposal submitted by the CNRGC, approved two extraordinary bonuses to be paid to the CEO and certain senior managers linked to two major strategic operations: the sale of the education business in Spain belonging to Grupo Santillana Educación Global, S.L.U. and the refinancing of the Prisa Group's financial debt with its lending institutions.

These bonuses were designed to reward part of the management team for an exceptional contribution, having had to work extremely hard on new projects in addition to their normal work obligations. They were also intended to retain and motivate key managers for the Group.

The CNRGC received independent external advice from Tower Watson for this task.

### *Verification of information concerning compensation for directors and senior managers contained in different corporate documents*

The CNRGC reviewed the information concerning compensation for directors and senior managers contained in the annual and semi-annual financial information prior to its disclosure to the markets.

### *Review of the compensation policy applied to directors and senior management.*

In 2020 the CNRGC reviewed the application of the compensation policy for directors and senior management during 2019, verifying that all payments made during that year to those groups were in line with company compensation policy and with several resolutions adopted in that regard and, especially, with regard to directors, with Prisa's Directors Compensation Policy.

The same review will be conducted again for the 2020 fiscal year.

## **4. Corporate governance system**

### **i. Internal regulations and recommendations on corporate governance:**

In 2020, in line with the Company's aim of constantly updating and reviewing its corporate governance system and internal regulations, at the proposal of the CNRGC, its internal regulations were reviewed and updated, including its Bylaws, the Regulations of the Board of Directors and a range of internal policies. In particular, the following measures were adopted:

- Decrease in the size of the Board (from 13 to 12 directors).
- Reduction of the term of the director position (from 4 to 3 years).
- Introduce certain recommendations provided for in the new version of the Spanish Corporate Governance Code for Listed Companies published in June 2020, certain basic provisions of Technical Guide CNMV and the novelties introduced in the Spanish Companies Act introduced by Law 11/2018, regarding non-financial information and diversity.

The Company received independent external advice from law firm Uría & Menéndez for this task.

Additionally, during the year, the Committee carried out a review of the Company's compliance with the CNMV's recommendations on corporate governance.

ii. Annual Corporate Governance Report

The CNRGC proposed the Annual Corporate Governance Report for 2019 to the Board of Directors, and the CNRGC will likewise propose the Corporate Governance Report for 2020 to the Board.

iii. Sustainability

*Sustainability Policy.*

The Company's Sustainability Policy, which was approved in December 2018, was modified in November 2020, on the recommendation of the CNRGC, to bring it in line with new recommendations contained in the CBG.

*Sustainability Report.*

In April 2020 the CNRGC examined and reported favorably on the Corporate Social Responsibility Report for 2019, which was approved by the Board of Directors, and for which it received advice from KPMG.

The same procedure will be followed with regard to the 2020 Sustainability Report.

iv. Information, communication and contacts with shareholders, institutional investors and proxy advisors policy:

The Company has a policy on information, communication and contacts with shareholders, institutional investors and proxy advisors that sets out the main principles governing PRISA's communication with these groups. It was also modified in November 2020, following a proposal prepared by the CNRGC, to bring it in line with new recommendations contained in the CBG.

In 2020 the CNRGC verified application of the general principles and codes of conduct established in the Policy for 2019. The CNRGC conducted this verification again with regard to 2020.

## **5. Self-assessment of the Board**

During 2020, a self-assessment was conducted of the composition and work of the Board of Directors and its committees during 2019. The performance of the Chairman of the Board, the CEO, and the Chairmen of the Committees was also assessed with the assistance of the outside and independent advisor KPMG.

The CNRGC submitted a report to the Board of Directors on the findings of this assessment and the Board approved a proposed plan of action to correct the deficiencies detected. The aspects which received the least positive scores in the 2019 assessment and the action plans implemented in 2020 were as follows:

*Internal regulations:*

A regular review was recommended of issues related to the composition and functioning of the Board and committees in response to new legislation and better corporate governance practices.

In 2020, therefore, in line with its aim of constantly updating and reviewing its corporate governance system and internal regulations, the Company carried out the review and update of its internal regulations described in section 4.i), as proposed by the CNRGC.

*The composition of the Board of Directors:*

It was recommended to continue improving the gender diversity of the Board and consider appointing experts in corporate governance and digital and sector specialists.

In 2020 the Company was not able to address the lack of gender diversity in the composition of the Board of Directors for the reasons detailed in section 1.vi) above.

Nevertheless, the CNRGC has drawn up a skills matrix for the Board, which was taken into account in the process of reelecting and appointing Directors during the year. The two new directors appointed to the Board in 2020, Mr. Javier Santiso Guimaras and Mr. Rosauro Varo Rodríguez, have professional profiles and experience that fit the Board's skills matrix, contributing the required professional and personal skills, in particular in the areas of digital transformation, entrepreneurship, generational renewal and active involvement in the cultural sector.

*Functioning of the Board of Directors:*

Based on the results of the assessment, the meetings of the Board and committees have focused more strongly on strategic matters such as monitoring risks, they have been attended more frequently by senior managers to report on their areas of responsibility, and improvements have been made to the information prepared for meetings (providing directors with executive summaries on key presentations).

At the date on which this Report was approved, an assessment was being conducted of the functioning and composition of the Board and its Committees in 2020, which on this occasion will be carried out without the support of an external advisor. The CNRGC will submit the corresponding report to the Board of Directors.

**6. Other responsibilities:**

i. Proceedings involving former Chairman of the Board Mr. Javier Monzón.

In May 2020 the CNRGC closed its investigation concerning the legal proceedings affecting Mr. Javier Monzón de Cáceres (former non-executive Chair of the Board of Directors, until his removal in December 2020) following the court ruling dismissing the case against Mr. Monzón.

These matters were duly disclosed in the Annual Corporate Governance Report and the Annual Report of this Committee for 2019.

ii. Group Editorial Governance.

The CNRGC also participated in the process of appointing the new editor-in-chief of the El País newspaper, obtaining details of and approving the financial and contractual terms of his employment.

iii. Management team development and succession plans

In 2020 the CNRGC oversaw certain projects related to the development of the management team and the succession plans for said team, led and directed by the CEO and implemented by the General Secretary and by the HR and Talent Management department.

iv. Annual Meeting Schedule.

As a practice of good governance, in December, 2020 the CNRGC approved its 2021 Meeting Schedule.

v. Annual Report on the Committee's Work.

In 2020 the CNRGC issued a report on the work that it undertook in 2019, which was made available to shareholders when the ordinary shareholders meeting was called.

Concerning the 2020 fiscal year, the CNRGC is issuing the present report, having taken into account the CNMV's Technical Guidelines in its preparation. This report will be made available to company shareholders.

## **V.- CONCLUSIONS**

- i. The CNRGC's composition is diverse with regard to the geographical origin, age, professional profile and experience of its members, who as a group have a reasonable level of knowledge and experience required to address matters falling within their purview. With regard to gender, the Committee's composition was balanced until December 2020, when Ms. Sonia Dulá, formerly the Committee's chair, resigned.
- ii. The members of the CNRGC have fulfilled their duties with responsibility, independence, freedom of opinion and dedication. During its meetings, the Committee promoted constructive dialogue among its members, freedom of expression, and critical thought, which contributed to enriching their analyses and the results of their work.
- iii. Likewise, and as noted above, to responsibly perform its duties with regard to especially relevant matters, the CNRGC sought the advice of independent outside professionals of recognized prestige.

This report was prepared by the CNRGC on March 12, 2021.