



## **CONSOLIDATED NON- FINANCIAL INFORMATION INCLUDED IN THE CONSOLIDATED MANAGEMENT REPORT OF PROMOTORA DE INFORMACIONES, S.A. AND ITS SUBSIDIARIES FOR THE YEAR 2021.**

### **1.1. ABOUT THIS REPORT**

This Statement of Non-Financial Statement (hereinafter NFS) reflects Prisa Group's annual performance in environmental, social, governance and economic matters. It highlights the contribution to sustainable development and the main actions and projects undertaken, while giving continuity to the reports prepared in previous years. It also includes Prisa's contribution to the United Nations 2030 Agenda, through describing the activities and impact associated with the five Sustainable Development Goals (SDGs) that are strategic for Prisa.

This report gathers the data and information of the business units of Prisa Group (Prisa Media and Santillana) in the 23 countries in which it operates. The data presented reflect all the activities and actions carried out by Prisa companies in these countries, with the exceptions identified throughout the report and in the tables, reporting, for the most part, aggregate data (at Group level) or disaggregated data (by business units), depending on the nature of the information, thus facilitating the reader's understanding.

Prisa's Sustainability Policy (approved by the Board of Directors in December 2018 and revised in 2020 and February 2022), whose objectives include achieving sustainable development and promoting social interest, fostering a culture of ethics and compliance, accompanying the development of the social environments in which it operates and using the resources necessary for its activity in a sustainable manner with the idea of creating shared value with all its stakeholders. The Sustainability Policy is available on Prisa Group's corporate website ([www.prisa.com](http://www.prisa.com)).

This report has been prepared in compliance with the requirements set out in Law 11/2018 of 28 December on non-financial reporting and diversity. Likewise, the materiality analysis updated in 2020, the Group's non-financial risk map and the GRI Standards indicators selected in the table "Contents required by Law 11/2018 of 28 December" defined in the *Global Reporting Initiative* (GRI) guide on the drawing up sustainability reports was also taken into account.

As the Non-Financial Information Statement is included in the Prisa Consolidated Management Report as an additional chapter, information required in the Non-Financial Information Statement will be incorporated by reference to other sections of the wider Management Report. For this same purpose, reference may be made to the Annual Corporate Governance Report attached as an appendix to the

Consolidated Management Report and to the Prisa Group's Consolidated Notes to the Financial Statements for 2021, both of which are published and accessible on Prisa's corporate website in the Shareholders and Investors section. In addition, the Prisa Group publishes an annual Sustainability Report, which complements this Non-Financial Information Statement.

The procedure for producing the Group's Non-Financial Information Statement is based on standardised report for all business areas, which includes the data corresponding to the performance indicators referred to above.

The final table of contents and correlation with the indicators of Law 11/2018, GRI Standards, Global Compact Principles and SDGs, identifies those aspects that are material and non-material, given its activity, based on Prisa's materiality study and the analysis carried out on the company's non-financial risks.

## 1.2. THE PRISA GROUP AND ITS BUSINESS UNITS

The Prisa Group ("the Group") engages in the creation and distribution of cultural, educational, news and entertainment content on a global scale, with a focus on the Spanish and Portuguese-speaking markets.

Across its Business Units, it operates brands such as El País, Santillana, Moderna, Compartir, UNO, Ser, Los40, WRadio, Radio Caracol and AS. The Group is present in 23 countries. According to 2021 data, 43.1% of its operating revenue arises in Spain and the remaining 56.9% is generated internationally. Five countries account for 86% of the Group's total operating revenue in 2021: Spain, Brazil, Mexico, Colombia and Chile. The table shows developments in the aforementioned indicators:

Operating income Prisa Group	2021	2020
Spain	43.1%	40.7%
International	56.9%	59.3%
Operating income Prisa Group	2021	2020
Main countries (Spain, Brazil, Mexico, Colombia and Chile)	86%	86%

The proportions of the main countries remained steady in the 2021 period, although total international income was down slightly against 2020, primarily due to the impact of the pandemic on the opening of schools in Latin America, which had an adverse effect on Santillana's income during the first half of the year.

We describe below, for each Business Unit, its markets and sectors, business models, business environment and organisational structure, and its goals and strategies. Business performance and the factors and trends affecting the business model are described in Notes 1 and 2, respectively, to the consolidated management report.

### 1.2.1. MARKETS AND SECTORS, BUSINESS MODEL, BUSINESS ENVIRONMENT, ORGANISATIONAL STRUCTURE

The Group is organised into two Business Units, equivalent to the operating segments as indicated in note 17 of the Notes to the consolidated financial statements: Education (Santillana) and Media (Prisa Media).

In addition to its Business Units, Prisa Group has a corporate center (Prisa), which sets the Group's strategy and ensures our businesses are in alignment with it.

### **Education Business Unit: Santillana**

Santillana focuses its activity on creating and distributing educational content and services for all levels of education from 3 to 18 years of age (with a special focus on K-12 - primary and secondary schooling-), in Spanish, Portuguese and English, in different formats, and adapted to the regulations and educational models of the countries in which it operates. It orientates its business model towards offering comprehensive solutions not only for students, but also for teachers and educational centers as a whole.

Through brands such as Santillana, Compartir, UNO, Moderna and Richmond Solution, among others, we are present in 20 countries (Spain, Portugal and 19 countries in Latin America). The Business Unit is organised by country, with its own corporate center that coordinates and guides the entire Business Unit's strategy.

By geographic area, the two main markets for the Education Business Unit are Brazil and Mexico, which accounted for 61% of total operating revenue in 2021.

Operating income Santillana	2021	2020
Main countries (Brazil and Mexico)	61%	59%

By 2021, around 27 million students have used educational content generated by this Business Unit, which has 2 million subscriptions of students studying through comprehensive, flexible and disciplinary learning systems. Representing an increase compared to 2020 of 16%.

### **Media Business Unit: Prisa Media**

Prisa Media is active in generating and distributing information and entertainment content through different offline and online media/platforms: talk radio and music radio (analogue and digital); general, sports and business press (print and digital); audio podcasts distributed on own and third party platforms; events in multiple formats, etc.

With brands such as El País, AS, Cinco Días, Ser, Los40, Dial, Radio Caracol, WRadio and Podium Podcast, among others, Prisa Media is present in 12 countries directly or through franchises, with an organisational structure based on eight transversal platforms to achieve a more agile and efficient management, based on digital transformation and the convergence of resources: Commercial, Digital and Technology, Audio, Video Operations, Human Resources and Talent, Legal, Marketing and Audiences.

By geographical area, 82.1% of its operating income comes from Spain and the remaining 17.9% is generated internationally.

Operating income Prisa Media	2021	2020
Spain	82.1%	84.4%
International	17.9%	15.6%

The business model focuses on monetising audiences through two main lines of activity: advertising (accounting for 78% of revenues), increasingly digital (25% of total advertising revenues); and circulation, both digital and print (14% of total revenues). These lines of activity are complemented by other activities such as the organisation and management of events or the distribution of promotions, as well as the identification of new alternative ways of generating income that are becoming more concrete as the digital transformation accelerates.

At December 2021, the aggregate online audience of all Prisa Media's digital media was 251 million unique browsers from around the world. El País has more than 176,000 total subscribers, Radio has an aggregate audience of nearly 22 million listeners across all its brands, and in audio, 34 million downloads and 67 million hours of streaming on average per month were reached during the year.

Main indicators Prisa Media	2021	2020
Unique browsers (millions)	251	249
Total subscribers	176,760	130,293
Listeners (millions)	22	22
Downloads (millions)	34	24
TLH (Total Listening Hours) (millions)	67	56

Developments in the main indicators of Prisa Media business show growth in an environment still affected by the crisis caused by COVID-19, in keeping with the Group's digital transformation roadmap.

### 1.2.2. OBJECTIVES AND STRATEGIES

The Prisa Group's strategy incorporate the strategic plans of its business units. The main objectives on which the strategy is based in the short, medium and long term, are as follows:

- Growth in the Education business thanks to the expansion in the markets operated and the continuous development of education systems, always preserving the quality of education with a focus on students and the educational community. Objectives:
  - Maintain leadership position by expanding into new growth segments.
  - Continue to lead the digital transformation and the development of hybrid education solutions (online and offline) as part of education systems under subscription models. Always with a focus on improving the learning experience in a holistic way. Enhance a

- quality offer of complementary educational products and services, which contributes to improving the quality of the learning process.
- Commit to an inspiring, student-centred education that empowers teachers to improve education, providing service and support to schools and families, with innovation and creativity at the heart of learning.

Fulfilling these strategic objectives will allow us to continue to increase revenues, improve margins and, therefore, increase the profitability of the business. At the same time, the growth of the digital component of our projects and the use of paper that is predominantly sourced sustainably, allow us to reduce the environmental impact of our business. In addition, with its commitment to quality education, the Santillana business will continue to contribute firmly to fostering equality, training and respect for human rights, in line with the SDGs.

- Acceleration of the digital transformation of Prisa Media's business, strengthening the leadership of the brands and maintaining them as a benchmark in quality information and entertainment. Objectives:
  - Provide entertainment and guarantee quality information to society by generating an objective, contrasted, diverse, critical and inclusive vision of the reality of events.
  - Continue to reinforce the leading position of Prisa Media's brands and digital properties by expanding their impact and (global) reach to further increase market share.
  - Expand digital audiences in Spain and Latin America.
  - Accelerate the digital transformation from offline models to user-oriented and user-focused multimedia digital models.
  - Strengthen the commercial strategy with diversification of commercial proposals and continue to promote the different monetisation channels.

The achievement of these strategic objectives will allow Prisa Media to continue to increase revenues, improve margins and, therefore, increase the profitability of the business; while the acceleration of the digital transformation will contribute to reducing the environmental impact (reduction of CO2, reduced consumption of paper, toner and other paper-related materials). And the focus on the quality of information and entertainment will continue to contribute to the development of a more diverse, inclusive and informed society, in line with the SDGs.

- Improvement of the Group's consolidated balance sheet structure. Objectives:
  - Focus on progressively deleveraging the company to achieve a sustainable debt structure.
  - Improve efficiency and cost control by maximising cash generation.

A sustainable financial condition and an improved cash generation profile of the Group will also facilitate the direct allocation of more and more resources to contribute to the SDGs, as the company has been doing in recent years.

The Prisa Group has intensified communication with rating agencies and sustainability indices during 2021, thus showing a clear commitment to introduce ESG (Environmental, Social, and Governance) criteria in all the company's financial instruments in the future. It is currently part of the following indices: MSCI, Sustainalytics, FTSE4Good and ESG Climate Risk (Moody's).

Promoting the SDGs is a strategic objective of the Group and its Business Units, through responsible environmental management, commitment to society and the company's professionals, and with a transparent governance model that guarantees ethical and responsible management that preserves human rights. In this respect, it is worth mentioning some of the initiatives that have been launched, which have made it possible to:

- Greater commitment to diversity: 35.8% of Prisa's Board of Directors are women (three new female directors appointed in 2021).
- Alignment with the SDGs driven by the "Deja Buena Huella" (Leave a Good Footprint) communication campaign, with more than 77 million printouts in Spain and Latin America, through four dissemination channels and with a significant reach and impact in terms of views, notching up a CTR (*Click Through Rate*, the number of clicks a link gets with respect to the number of impressions) of 0.23%, when the market average stands at 0.15%.
- Progress in the commitment to renewable energy consumption and energy efficiency:
  - 100% renewable energy in Spain from July 2021.
  - The photovoltaic self-generation plant located in the Miguel Yuste building (Madrid), which produced 142 MWh of clean energy in 2021, is 100% operational.
  - The main installations in Spain operate with efficient lighting technology.

With the creation of the Sustainability Committee in September 2021, the Prisa Group reaffirms its commitment to sustainability, with this Committee assuming the role of coordinating body, and ensuring that the future sustainability strategy is implemented in an orderly and efficient manner.

It is also noted that in February 2022 the Prisa Board of Directors agreed to set up a Sustainability Committee, made up of five directors, whose powers have been regulated in the Board of Directors Regulations.

### **1.3. RISK MANAGEMENT**

#### **Risk management and internal control systems**

In order to permanently monitor the most significant risks, including tax risks, Prisa has established a Risk Management System, the purpose of which is to know and control the risks to which the Group is exposed and that could affect meeting the objectives defined in the Strategic Plan and that of its businesses.

This system is referred to in the Prisa Group's Risk Control and Management Policy, approved by the Board of Directors in November 2020, which identifies the Group's

main risks in four categories: financial, strategic and operational risks, non-financial risks and reputational risks.

This policy sets out the reference framework to control and manage the risks associated with the Group's activity, with the aim of controlling, mitigating and managing any threat to meeting the defined objectives and facilitating the proper execution of the strategic roadmap.

The Group also has an Internal Control over Financial Reporting System (ICFR), which was initially developed on the basis of the COSO 1992 methodological framework and adapted to the new COSO 2013 Framework in 2014.

To manage criminal risks, Prisa Group has a Crime Prevention and Detection Model in place in Spain and has developed compliance models in the key countries where the Group is present: Brazil, Mexico and Colombia. Compliance models cover environmental, labour relations and corruption and bribery risks for each business activity. For each of these risks, the Group sets risk control and mitigation measures based on their impact on the business.

### **Risk identification and detection management process**

The Risk Management System operates by business unit, consolidating this management at the corporate level through a comprehensive management model, among other specific tools, focused on ad hoc analyses in relation to different risks, depending on their development and the assessment made of them and their circumstances over time.

Risks are pinpointed by the CEOs of the business units and the corporate centre, identifying the parties responsible for managing each risk and setting action plans and controls. As indicated above, at corporate level, risk management is consolidated through the integrated management model, which provides a dynamic and continuous vision that is more suitable for monitoring, control and management.

In this respect, in addition to corporate management, the business units contribute to the proper functioning of the risk control and management systems and, in particular, aim to identify, manage and adequately quantify the risks affecting them. They also actively participate in defining the risk strategy and in risk management decisions, ensuring that the systems in place adequately mitigate risks within the framework of the policy defined by the Board of Directors and the Audit, Risk and Compliance Committee.

The Group has a risk map as a tool for graphic representation of risks, which is used to identify and assess the risks of the Group's business activities.

Annually, the Internal Audit Department aggregates and standardises the risks identified by each business unit in order to draw up the Group and business risk maps. Non-financial risks are identified and assessed annually by the businesses, and Group and business non-financial risk maps are drawn up on the basis of this assessment.

Both the integrated management model and the risk maps are reported to the Audit, Risk and Compliance Committee, which is responsible for supervising and periodically assessing the Group's risk control and management systems and for establishing the level of risk considered acceptable, based on risk aversion, tolerance or appetite in each specific case.

### **Relevant risks monitored**

The Group's main risks are grouped into the following categories mentioned above:

- Risks relating to the financial condition.<sup>1</sup>
- Strategic and operational risks.<sup>2</sup>
- Reputational risks.
- Non-financial risks.

In relation to reputational risks, this category identifies risks associated with a potential negative impact on the Group and its results, as a consequence of behaviour that does not meet the expectations of the market and the various stakeholders, including conduct related to corruption.

In relation to non-financial risks, these fall into four broad categories aligned with the areas described in Law 11/2018 on non-financial information and diversity. Some of the risks that have been identified for each of the categories and the associated performance indicator are detailed below:

- Environmental management: risk relating to sustainable or responsible supply of raw materials, waste generation and the circular economy. The indicators are respectively the percentage of paper purchased from sustainable sources and paper from renewable or recycled sources.
- Labour and personnel management: risks relating to our capacity to attract and retain talent, promote equality, and prevent corruption and bribery. The performance indicators are the involuntary turnover rate, the percentage of staff covered by equality plans and the number of complaints received in relation to corruption and bribery.
- Society: risk of affecting consumers; cybersecurity and privacy risks (own employees, consumers and supply chain). The performance indicators are the number of complaints and grievances received and the events of risk of leakage of private information.
- Supply chain: risk of linking to third parties without an approval process and its indicator is the percentage of payments to local suppliers.

Throughout this report, each chapter provides further information about the indicators for monitoring and evaluating relevant risks. The information is linked to the GRI Standards indicators in the table at the end of this report.

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<sup>1</sup> Details of the risks related to the financial condition can be found in note 3 of the Prisa Group Consolidated Management Report.

<sup>2</sup> Details of strategic and operational risks can be found in note 3 of the Prisa Group Consolidated Management Report.



#### 1.4. MATERIALITY

The purpose of the materiality analysis of the Prisa Group is to identify the most relevant issues for the organisation and its main stakeholders.

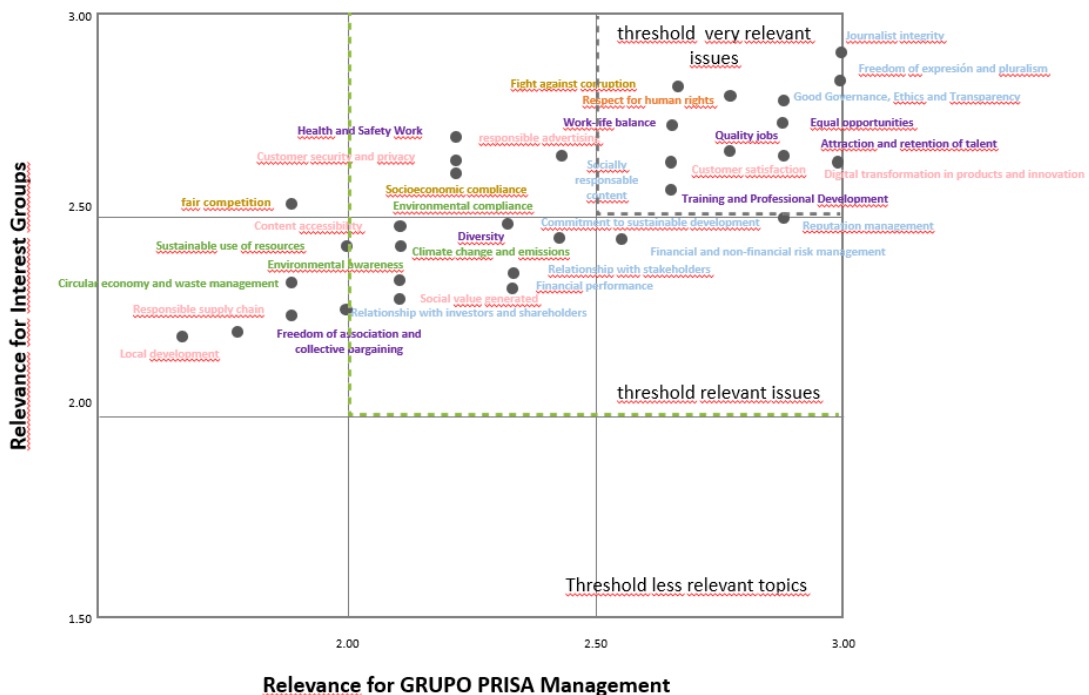
Thus, the materiality study makes it possible to identify the issues that are relevant for the organisation, considering those aspects that:

- Reflect the significant economic, social and environmental effects for the organisation. Are those aspects that can have an impact and could positively or negatively influence the organisation's ability to implement its vision and strategy.
- Substantially influence stakeholder assessments and decisions.

In relation to the relevant issues of the Prisa Group's organisation, international standards, norms and aspects such as the following have been taken into consideration:

- Issues of Law 11/2018 on non-financial reporting and diversity.
- GRI Standards indicators (economic, environmental and social areas).
- Prisa's non-financial risk matrix.
- Previous Prisa materiality study.
- The sector-specific *Media and Entertainment* topics of the Sustainability Accounting Standards Board (SASB).
- Benchmarking carried out on the material issues of organisations in the sector.

Thus, the result of the materiality matrix of the Prisa Group is as follows:



The 30 relevant topics for the Prisa Group structured according to the six areas of Law 11/2018 on non-financial information, and their impact on the SDGs, reflected below:



## 1.5. RESPONSIBLE ENVIRONMENTAL MANAGEMENT

### Commitment to environmental protection

As set out in its Code of Ethics, the Prisa Group is clearly committed to applying sustainability criteria in all its business areas, striving for increasingly efficient management of natural resources and adequate protection of the environment in which it operates, so as to minimise negative environmental impacts.

Thus, the Group maintains an inherent commitment to environmental protection and the awareness and dissemination of good environmental practices in its daily management, although it is true that the business model and its activity have a low environmental impact.

In 2021, one of the major milestones in the Prisa Group's responsible environmental management was the approval of its Environmental Policy, following its review by the Prisa Group's Compliance Unit and approval by the General Secretary and the Board of Directors. The policy defines its commitment in this area and sets out the following essential principles:

- Protect the environment with a commitment to: Reduce the carbon footprint, make sustainable use of resources and prevent and manage the waste generated by Prisa Group's activities; comply with the standards established in the environmental regulations applicable in the countries where the Group operates; actively contribute to raising awareness of the effects of climate change and to raising awareness that encourages respect for nature and the protection of biodiversity, taking advantage of the Group's millions of digital audiences.
- Be aware of and continuously assess the environmental impacts of Prisa Group in order to: adequately manage the risks and circumstances that cause them; improve and update the mechanisms designed to mitigate or

eradicate them, enhancing the use of sustainable technology by transforming legacy businesses into digital ones; and support initiatives to prevent or minimise them.

- Promote best practices in responsible management and incorporate environmental sustainability criteria in investment decisions, as well as in the supply chain and in the execution of the Group's business.
- Disseminate these essential principles, establishing permanent communication with all staff and stakeholders, while promoting at all times environmental responsibility and commitment as a participatory task at all levels and a priority issue among the editorial topics; and sharing regularly and transparently the environmental results and actions carried out.

During 2021, the Group has worked intensively on communicating this Environmental Policy, establishing a specific dissemination and awareness-raising plan on the various contents on the subject, aligned with the risks defined in the control environment.

Thus, in the "*Comunica*" corresponding to the month of May 2021, the Environmental Policy was announced and the four principles mentioned above were disseminated, as well as its general commitment to the United Nations Global Compact and the future communication strategy in environmental matters, fed by the rest of the monthly information capsules and scheduled in 2021 as follows:

- June: *Reduction of CO<sub>2</sub> emissions and Responsible printing.*
- July: *Responsible water consumption.*
- September: *Advice on responsible driving.*
- October: *Responsible electricity consumption.*
- November: *Sustainable office.*
- December: *Paper life cycle.*

In the case of Santillana, these communications are made through the "*Santillana al día*" bulletin.

During 2021, the Group has been materialising its commitment to the environment with concrete actions:

- 100% of renewable energy with a Guarantee of Origin (GDO) certificate in Spain, from July 2021.
- Self-generation of 142 MWh of clean energy through the commissioning of the photovoltaic plant located at the Miguel Yuste headquarters in Madrid, equivalent to a reduction of 129 t of CO<sub>2</sub> during 2021 or the planting of 176 trees.
- Efficient lighting technology in major installations in Spain.
- Reduced impact on commuting emissions by prioritising teleworking.
- Expansion of the calculation of scope 3 of the carbon footprint, with the incorporation of Latin American travel in vehicles not owned by Prisa Group, as well as emissions generated by radio signal carriers and the transport of publications in Spain.

## **Awareness raising and positive impact**

Finally, beyond the responsible management of operations, natural resources and consumption derived from daily activity, the Group is convinced that the greatest positive impact it can generate is through public awareness and education, disseminating truthful, transparent and critical information through its communication channels, which adds value and helps to promote sustainability. An example of this are the various awards and projects with an environmental focus that were carried out in 2021, such as the *Retina ECO Awards*, *El País Origins Project*, *Another world is necessary* project, among others, reinforcing the commitment and its contribution to SDG 13 Climate Action.

## **Preventive measures**

As mentioned above, in addition to promoting the Environmental Policy and environmental awareness internally and externally, the Group considers the precautionary principle. For this reason, in addition to its policy in this area, the Prisa Group has guarantees in its insurance programme in different countries to cover potential accidental and sudden polluting impacts that could be generated by its various operations.

Thus, in line with corporate policies, the Group selects and maintains commercial relations with suppliers that ensure and promote responsible and sustainable environmental management, both in the purchase of materials directly linked to the publishing business, such as paper, and in the management of waste collection, reuse and recycling, using authorised waste managers.

In order to make further progress in its preventive measures, the request for information on the degree of commitment of the various bidding companies in the negotiation specifications for the provision of services by third parties, as well as their operational management and relationship with the contribution to the United Nations 2030 Agenda, is maintained.

### **1.5.1. WASTE MANAGEMENT AND ECONOMY CIRCULAR**

The promotion of the circular economy and proper waste management is very important to achieve Prisa Group's environmental objectives. Prevention, recycling and other forms of waste recovery and disposal are therefore constantly promoted. Prisa Group promotes operational and awareness-raising measures aimed at the workforce to reduce waste generation and continue to incorporate improvements in waste segregation, in order to ensure its correct recovery. The actions carried out in 2021 in this area are described below.

#### **Proper management of the waste generated**

The Business Units promote the appropriate management of the waste generated, in line with the Group's environmental management. Waste has been managed and subsequently destroyed with approved suppliers, in particular confidential documentation, selective waste such as wood or scrap and WEEE (waste electrical and electronic equipment).

At Prisa Media (Radio Colombia), for example, 95 kilograms of computers and peripherals and 72 kilograms of computer screens have been certified for destruction, in compliance with Colombian regulations.

Finally, Santillana Puerto Rico renewed two digital printing presses in 2021. The replaced equipment was made available to the supplier for destruction in a responsible manner and in compliance with applicable environmental regulations.

### **Paper and cardboard recycling**

Prisa Group promotes recycling actions, mainly of paper and cardboard, as these are the most consumed raw materials due to the type of business and activity carried out.

In Spain, the Group has established an agreement with the *Another World Is Necessary* Association to collect paper and cardboard waste at the Miguel Yuste headquarters in Madrid, with around 12,100 kilograms having been collected between November and December. It should be noted that this Association is dedicated to favouring the reintegration of people at risk of social exclusion into the labour market, in line with the contribution to SDG 8, Decent Work and Economic Growth, and SDG 10, Reduced Inequalities. Thus, in November 2021, 60 hours of direct employment were provided to people at risk of social exclusion.

Likewise, Prisa Media (Radio Chile) has maintained the collection agreement with the San José Foundation for Adoption since 2008, recycling 510 kilograms of paper in 2021, 70% more than in 2020.

### **Recycling of other waste**

At Iberoamericana Radio Chile, agreements have been negotiated with various organisations for the use and recovery of waste: 847 kilograms of glass, cans and containers with RECILAPP, and 1,087 kilograms of obsolete electronics recycling with PAÑIWE.

### **Other actions**

100 ionic smoke detectors have been replaced at various sites in Spain, with others using optical technology and free of americium 241, and these are managed in accordance with RD 110/2015 on waste electrical and electronic equipment with an authorised manager. The installation of the remaining 40 detectors is planned for 2022, thus completing the renovation plan.

#### **1.5.2. RESPONSIBLE USE OF RESOURCES**

Prisa Group is aware of the importance of making a conscious and, therefore, responsible use of the natural resources and materials consumed by its activity, in order to ensure the environmental sustainability of the surroundings. Thus, the Group focuses on reducing consumption as much as possible and promoting actions that encourage sustainable development.

## Consumption of raw materials

Type of material	2021		2020	
	Total consumption of material (t)	% Renewable and sustainable materials	Total consumption of material (t)	% Renewable and sustainable materials
Paper from renewable or recycled sources	11,882	20%	17,567	35%
Paper from sustainable sources (FSC or equivalent)	47,562	80%	32,553	65%
Cardboard	3,228	100%	2,512	100%
Plates	66	0%	62	0%
<b>Total paper consumption<sup>3</sup></b>	<b>59,444</b>		<b>50,120</b>	

Based on the principle of responsible consumption, Prisa Group has promoted various actions in its Business Units. For example, initiatives have been organised for the reuse of pallets and cardboard, reusing and repurposing these materials for further use. For example, in Brazil, Peru and Argentina, Santillana has calculated reuse rates of around 85%, which serve as a benchmark of good practice for the rest of the countries.

Likewise, in 2021 Santillana achieved 97% consumption of FSC-certified paper from sustainably managed forests. Lastly, it is worth noting the increased use of lighter-weight paper (40 g. vs 42 g.) in Prisa Media's press area, generating a reduction in consumption of 57 tonnes by 2021.

Furthermore, responsible printing projects have been promoted in the branches to progressively reduce paper and toner consumption, such as at Radio Caracol in Colombia, where by 2021 all invoices to suppliers were sent electronically.

## Water consumption

Prisa Group consumes water mainly for its daily use in the branch, as well as for the cleaning processes of its facilities. This is obtained through the corresponding municipal public network. In no case do they have their own supply points.

2021	2020
49,408 m <sup>3</sup>	59,278 m <sup>3</sup>

In 2021, the water consumption was reduced by 16.65% compared to 2020.

## Power consumption

Although Prisa Group maintains various initiatives to reduce consumption, explained below, in 2021 there has been an increase in electricity consumption with a strong increase in energy from renewable sources, derived from the component of recovery and return to face-to-face activity after the first waves of the COVID-19 pandemic in 2020, whose crisis caused the exponential drop in resource consumption values in business activity.

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<sup>3</sup> The reported changes in paper consumption are due to the consequences of the low activity in 2020 resulting from the COVID-19 pandemic.

<b>Prisa Group electricity consumption</b>	<b>2021</b>	<b>2020</b>
Renewable source (GWh)	22.7	5.1
Non-renewable source (GWh)	10.6	20.5
<b>Total consumption (GWh)</b>	<b>33.4</b>	<b>25.6</b>

The global data on renewable energy consumption can be summarised as follows:

	<b>2021</b>	<b>2020</b>
<b>Use of renewable energy</b>	<b>68%</b>	<b>20%</b>

The Group remains committed to the rational use and efficiency of energy, promoting measures to improve efficiency on an ongoing basis, such as:

- The commissioning of the photovoltaic plant installation located in the Miguel Yuste building (Madrid) has resulted in a production of 142 MWh of clean energy in 2021 for self-consumption.
- Efficient lighting technology in the main installations in Spain and in some Business Units in Latin America (Prisa Media Mexico and Chile, and Santillana Peru, Honduras and Brazil). At the headquarters on Gran Vía in Madrid, for example, energy consumption has been reduced by 290,000 kWh.
- Installation of timers in traffic areas, change from conventional lights to LED. Annual preventive maintenance of the equipment and the reduction of air conditioning equipment has led to savings in consumption at Santillana Peru of around 71,353 kWh in 2021.
- Policy of switching off equipment and lighting in the branch during non-operational hours, accompanied by control routes and movement sensors to promote energy savings.
- Awareness-raising and energy efficiency campaigns.

### **Fuel consumption**

<b>Natural gas</b>	
2021	2020
<b>258,264 m<sup>3</sup></b>	<b>154,732 m<sup>3</sup></b>

<b>Diesel</b>	
2021	2020
<b>368,407 litres</b>	<b>112,446 litres</b>

With regard to fuel consumption, there has also been a considerable increase in 2021 due to the return of face-to-face activity, after the first year of major impact and crisis caused by the COVID-19 pandemic. However, it is constantly working to reduce the consumption of fossil fuels by increasing the consumption of renewable energies, by purchasing green energy and by self-generation of clean energy, thanks to its photovoltaic plant projects to produce domestic hot water and, therefore, reduce the consumption of natural gas.

### 1.5.3. CLIMATE CHANGE

The Group is aware of the great challenge facing humanity, and especially the private business sector, in the fight against the climate emergency. It is therefore an essential part of the Group's environmental strategy and objectives.

Thus, with regard to minimising the impact of the Group's business activity, linked to the emission of greenhouse gases, the following measures have been established:

- Promoting actions to become more energy efficient and reduce fuel consumption, through the various measures explained above (including the promotion of renewable energies).
- Promotion of sustainable mobility, with the progressive replacement of the fleet in Spain to vehicles with ECO technology, as well as encouraging more responsible travel.
- Digitalisation of the Group's businesses, leveraging the momentum of digital transformation and innovation.
- Promotion of awareness-raising activities, projects and events that reinforce the public commitment of Prisa Group to contribute to the United Nations 2030 Agenda and to the contribution of SDG 13 "climate action". The *"Spanish Sustainable Mobility Week" award for the article 2Carriles bici: la respuesta de las ciudades ante la pandemia* (2Bike lanes: the response of cities to the pandemic) is a clear example.

In relation to minimising the impact of Prisa Group's activity linked to greenhouse gas emissions, during 2021 the following actions were carried out linked to the use of renewable energies and which have had a direct impact on the volume of emissions:

- As at July 2021, the Group has acquired a contract with Naturgy where 100% of the energy purchased for its work centres in Spain is of renewable origin, thus complying with the principles established in the Environmental Policy.
- Additionally, in some Latin American countries, such as Chile, Argentina, Colombia and Costa Rica, they have started to report their consumption percentage in relation to the generation mix published by their respective governments.
- Within the process of accelerating the digital transformation in which Prisa Group is immersed, the migration project to servers, the changes from desktops to laptops and shutting down servers has enabled us to calculate a CO<sub>2</sub> saving of approximately 177 Tn CO<sub>2</sub>/year<sup>4</sup>).

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<sup>4</sup> 150 desktops to laptops - saved 1,950 kg CO<sub>2</sub>e/year

**Calculation:** desktop (150 x 169 kg CO<sub>2</sub>e/year = 25,350) - laptop (150 x 156 kg CO<sub>2</sub>e/year = 23,400) = 1,950 kg CO<sub>2</sub>e/year

191 Servers shut down - saved 174,956 kg CO<sub>2</sub>e/year

**Calculation:** servers 191 x 916 kg CO<sub>2</sub>e/year = 174,956 kg CO<sub>2</sub>e/year

**Total = 176,906 kg CO<sub>2</sub>e/year**

The Carbon Footprint of Servers-GoClimate Blog



Carbon footprint Scopes 1 and 2 (t CO <sub>2</sub> eq)	2021	2020	% change 2021- 2020
Total Scope 1 emissions	778	619	25.6%
Total Scope 2 emissions	3,325	5,683	-41.5%

With regard to the calculation of the emissions of the value chain (Scope 3 emissions), in line with the objective of improving transparency and diligence with regard to the impact on the natural environment, in 2021 they have been included in the calculation of the aforementioned Scope 3:

- Prisa Media's Latin America travel data.
- Broadcasts generated by the carriers (Axion and Cellnex) of the radio signal in Spain.
- Transport and distribution (Boyaca) of press in Spain.

Carbon footprint Scope 3 (t CO <sub>2</sub> eq)		2021	2020	% change 2021/2020
<b>Air</b>	Short-haul flights	1,171	854	37%
	Medium-haul flights	193	188	3%
	Long-haul flights	768	776	-1%
	<b>Rail</b>	40	48	-17%
<b>Road</b>	Diesel	289	82	255%
	Petrol	2,697	1,403	92%
	<b>Carrier (Axion, Cellnex)</b>	4,629	-	-
<b>Transport and distribution press</b>		403	-	-
<b>Paper</b>		28,625	24,134	19%
<b>Total</b>		<b>38,814</b>	<b>27,484</b>	<b>41%</b>

Lastly, in 2021, we continued to monitor the scope of the actions that the Group can directly manage on the impact on the environment and the energy it directly requires for its activity (Scopes 1 and 2).

This indicator measures the tonnes of CO<sub>2</sub> equivalent emitted for a turnover of 1 million euros, quantifying the cost in carbon footprint generated by the Prisa Group's business due to the direct emissions required for its activity.

t CO <sub>2</sub> eq. / euros1 billion invoiced <sup>5</sup>	
2021	2020
<b>5.54</b>	<b>8.99</b>

<sup>5</sup> Method of calculation: t of CO<sub>2</sub> eq. consolidated for scopes 1 (natural gas and diesel) and 2 (electricity) / Annual consolidated turnover (million euros)

#### **1.5.4. OTHER ASPECTS**

##### **Pollution**

As in 2020, the use of vehicles by the Prisa Group staff continues to be the main factor of direct impact on atmospheric pollution, although it is true that the effects of teleworking policies, derived from the COVID-19 pandemic, have generated less travel to the various work centres and, therefore, a lower impact in terms of emissions.

In addition, Prisa Group continues to promote initiatives to reduce the impact of travel. So, in 2021:

- The progressive incorporation of sustainable renting vehicles in Spain has been maintained, reaching 27% of vehicles with ECO label) versus 16% in 2020.
- Promotion of sustainable mobility, facilitating the purchase of monthly public transport passes with tax advantages; maintenance of charging points for electric vehicles at the Miguel Yuste headquarters in Madrid (eight charging points, two per station); maintenance of the campus bicycle parking (currently eight spaces).

Finally, due to the type of business, facilities, and location, noise and light pollution are not material to the Group.

##### **Protection of biodiversity**

Due to Prisa Group's type of business and based on the analysis carried out in the Non-Financial Risk Map, it has been determined that the impact of the business activity on biodiversity is nil, as its activity is carried out in urban areas or industrial estates where there is a low risk of affecting biodiversity.

However, at Prisa Media (Caracol Radio in Colombia), measures have been put in place to restore biodiversity, due to a one-off deforestation activity carried out for the need to preserve the safety and security of transmissions. Therefore, according to the instructions of the Corporación Autónoma Regional de Cundinamarca - CAR Dirección de Infraestructura Ambiental, another area will be reforested, multiplying by four each tree felled, and ensuring the maintenance of this reforestation for three years.

##### **Food waste**

Companies providing catering services at group facilities are now working with responsible management procedures to reduce food waste. They have been asked for a food waste control plan pursuant to the "preliminary draft of the Law on Prevention of Food Losses and Wastage" of October 2021.

### **1.5.5. ENVIRONMENTAL TAXONOMY OF THE EUROPEAN UNION**

#### **Regulatory context**

The European Union is promoting the Action Plan on Financing for Sustainable Growth as a roadmap to promote sustainable finance. This includes the creation of the European Taxonomy, a tool that classifies economic activities according to their potential impact and contribution to sustainability.

In relation to the environmental variable of the Taxonomy, it proposes identifying economic activities that can contribute to climate change mitigation and adaptation. It sets out a number of requirements, which, if met, will qualify an activity as sustainable, allowing companies, investors and regulators to obtain more uniform information on the activities that contribute to meeting environmental objectives. This regulation establishes reporting requirements for companies that are obliged to publish their Non-Financial Information Statements.

The regulatory framework of the Taxonomy is currently defined by the following regulations:

- Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investments.
- Delegated Regulation (EU) 2021/2139 of 4 June 2021 establishing technical selection criteria for determining the conditions under which an economic activity is deemed to make a substantial contribution to climate change mitigation or adaptation and for determining whether that economic activity does not significantly detriment any of the other environmental objectives.
- Delegated Regulation (EU) 2021/2178 of 6 July 2021 specifying the content and presentation of information to be disclosed by companies regarding environmentally sustainable economic activities, and specifying the methodology for complying with the disclosure obligation.

This legislative framework sets out the selection criteria for determining the conditions under which an economic activity is considered to make a substantial contribution to climate change mitigation or adaptation, including whether this economic activity does not significantly detriment any of the other environmental objectives.

#### **Reporting requirements derived from the Taxonomy**

According to Article 8 of Regulation (EU) 2020/852, for the 2021 financial year, it is necessary to provide the eligibility percentage of turnover, eligibility percentage of investments in fixed assets (Capex) and eligibility percentage of operating expenditure (Opex). Here it is considered necessary to adapt the concepts "eligible activity" and "aligned activity".

- Eligible activity (covered in this report): any activity on the list in Appendix I (mitigation) and Appendix II (adaptation) of Commission Delegated Regulation (EU) 2021/2139.

- Aligned activity: Eligible activities that meet the requisites of a substantial contribution to at least one of the six objectives defined in the Regulation, that comply with the principle of doing no significant harm to the other objectives, and that comply with the minimum social guarantees in line with OECD Guidelines and the UN's Guiding Principles.

### Scope of the report

In relation to 2021, the exercise by the Prisa Group corresponds to the eligibility analysis of the activities carried out, in accordance with the regulations in force, and the assessment of compliance with the technical criteria was not taken into account. This exercise will be reviewed in 2022, since it will probably be necessary to cover the alignment requisites, and take into account any additional directives that may be issued.

The economic activity carried on by the Prisa Group that can make a substantial contribution to adaptation to climate change is the following:

- 8.3. Radio scheduling and broadcasting activities

### Percentage eligibility of the volume of business

This indicator shows the relative importance of the net business volume arising from products or services associated with economic activities contemplated by the Taxonomy over the Total Net Income.

A. Eligible activities according to the Prisa Group taxonomy				
Economic Activity	NACE codes	Absolute turnover (currency) (Thousand of euros)	Share of turnover (%)	Enabling Activity (F) or Transition Activity (T)
Radio Stations	J60	219,193	28.88%	Radio broadcasting
<b>Total A</b>	-	<b>219,193</b>	<b>28.88%</b>	-

B. Ineligible activities according to the Prisa Group taxonomy			
Economic Activity	Absolute turnover (currency) (Thousand of euros)	Share of turnover (%)	Enabling Activity (F) or Transition Activity (T)
Newspaper	181,055	23.85%	
Non-educational book publishing, online platform	358,675	47.27%	
<b>Total B</b>	<b>539,730</b>	<b>71.12%</b>	
<b>Total A + B</b>	<b>759,058<sup>6</sup></b>	<b>100%</b>	

<sup>6</sup> Aggregated (non-consolidated) turnover totals, i.e. including inter-group transactions.

## Capex eligibility percentage

Defines the proportion of Capex (investments in fixed assets) that corresponds to assets or processes associated with economic activities covered by the Taxonomy.

A. Eligible activities according to the Prisa Group taxonomy				
Economic Activity	NACE codes	Capex (currency) (Thousand of euros)	Share of Capex (%)	Enabling Activity (F) or Transition Activity (T)
Radio Stations	J60	5,357	11.85%	Radio broadcasting
<b>Total A</b>	<b>-</b>	<b>5,357</b>	<b>11.86%</b>	<b>-</b>

Economic Activity	Capex (currency) (Thousand of euros)	Share of Capex (%)
Newspaper	5,674	12.56%
Educational book publishing, online platform	34,160	75.59%
<b>Total B</b>	<b>39,834</b>	<b>88.15%</b>
<b>Total A + B</b>	<b>45,191</b>	<b>100%</b>

## Opex eligibility percentage

Defines the proportion of Opex (operating expenses) that corresponds to assets or processes associated with economic activities covered by the Taxonomy.

A. Eligible activities according to the Prisa Group taxonomy				
Economic Activity	NACE codes	Opex (currency) (Thousand of euros)	Share of Opex (%)	Enabling Activity (F) or Transition Activity (T)
Radio Stations	J60	201,498	29.71%	Radio broadcasting
<b>Total A</b>	<b>-</b>	<b>201,498</b>	<b>29.71%</b>	<b>-</b>

Economic Activity	Opex (currency) (Thousand of euros)	Share of Opex (%)
Newspaper	187,089	27.59%
Educational book publishing, online platform	289,542	42.70%
<b>Total B</b>	<b>476,631</b>	<b>70.29%</b>
<b>Total A + B</b>	<b>678,129</b>	<b>100%</b>

## 1.6. INFORMATION ON SOCIAL ISSUES RELATING TO STAFF

### 1.6.1. EMPLOYMENT

In 2021, against a complex economic and social backdrop which particularly affected the media and education sector, the Prisa Group undertook an internal and corporate reorganisation process, in addition to changes in the senior management team.

Based on the new corporate and organisational framework, the Group will adapt processes and also talent and culture processes to this new reality.

The number of the Group's employees at year-end 2021, distributed by country, gender and type of contract, is as follows:

	Permanent Contract + PTR (Permanent trade representative)			Variable, Temporary Contract and TTR contracts (Temporary trade representative)			Total		
	M	W	Total	M	W	Total	M	W	Total
Argentina	75	181	256	0	1	1	75	182	257
Bolivia	18	13	31	0	0	0	18	13	31
Brazil	426	577	1,003	0	0	0	426	577	1,003
North Central America (includes Guatemala, Honduras and El Salvador)	74	63	137	0	0	0	74	63	137
Chile	221	166	387	0	0	0	221	166	387
Colombia	744	554	1,298	0	0	0	744	554	1,298
Central America South (including Costa Rica and Panama)	30	36	66	10	6	16	40	42	82
Ecuador	64	44	108	2	0	2	66	44	110
Spain	1,245	1,020	2,265	51	64	115	1,296	1,084	2,380
Mexico	329	384	713	0	0	0	329	384	713
Puerto Rico	13	11	24	0	0	0	13	11	24
Paraguay	10	15	25	0	0	0	10	15	25
Peru	43	51	94	41	49	90	84	100	184
Portugal	4	5	9	0	0	0	4	5	9
Dom. Rep.	61	38	99	0	0	0	61	38	99
Uruguay	9	14	23	0	0	0	9	14	23
USA	16	8	24	0	0	0	16	8	24
Venezuela	5	5	10	0	0	0	5	5	10
<b>Total</b>	<b>3,387</b>	<b>3,185</b>	<b>6,572</b>	<b>104</b>	<b>120</b>	<b>224</b>	<b>3,491</b>	<b>3,305</b>	<b>6,796</b>

The above breakdown shows that 95% of the Prisa Group's total workforce is on permanent contracts and 5% on temporary contracts (the same as in 2020). Men represent 51% of the workforce compared to 49% of women (versus 52% and 48% in 2020). The breakdown by Business Unit is presented below:

2021	Men	Women
Santillana	45%	55%
Prisa Media	57%	43%
<b>Prisa Group</b>	<b>51%</b>	<b>49%</b>

At year-end, 98% of the workforce is working full time compared to 74% in 2020, when a large part of the workforce in Spain was affected by a Temporary Redundancy Proceedings (ERTE) linked to COVID-19. In 2021, the conditions for ordinary working hours have been restored and the percentages of previous years have been returned to the same percentages as in previous years.

The distribution by gender and professional category comparing 2021 and 2020 is as follows:

	2021			2020		
	Men	Women	Total	Men	Women	Total
Executives	167	106	273	186	109	295
Middle management	557	428	985	546	446	992
Other people employed	2,767	2,771	5,538	2,958	2,840	5,798
<b>Total</b>	<b>3,491</b>	<b>3,305</b>	<b>6,796</b>	<b>3,690</b>	<b>3,395</b>	<b>7,085</b>

The average age of men is 3.6% higher than the average age of women in the Group, with the Group average at 42.8 years compared to 43.1 years in 2020. 11% of employees are under 30 years old, 64% are between 30-50 years old, and 25% of the workforce is over 50 years old.

The average age comparison by gender is as follows:

	Men	Women	Total
Group average age 2021	43.5	42.0	<b>42.8</b>
Group average age 2020	43.8	42.2	<b>43.1</b>

The distribution of the Group's employees by geographical origin and average age is as follows:

	2021	2020
Spain	45.7	45.6
Latin America	41.7	41.6
Portugal	49.1	48.1
<b>Total</b>	<b>42.8</b>	<b>43.1</b>

The distribution by age ranges and job category is:

	2021			2020		
	Under 30 years old	30-50 years old	Over 50 years old	Under 30 years old	30-50 years old	Over 50 years old
Executives	0%	2%	2%	0%	2%	2%
Middle management	0%	9%	6%	0%	8%	6%
Rest of employees	11%	53%	18%	10%	54%	18%
<b>Total</b>	<b>11%</b>	<b>64%</b>	<b>25%</b>	<b>10%</b>	<b>65%</b>	<b>25%</b>

The main business areas, in terms of headcount, are Prisa Media, with 51% (52% in 2020) and Santillana, with 48% (47% in 2020), with the following gender distribution:

	2021			2020		
	Men	Women	Total	Men	Women	Total
Santillana	1,489	1,793	3,282	1,517	1,808	3,325
Prisa Media	1,983	1,484	3,467	2,137	1,538	3,675
Rest of staff	19	28	47	36	49	85
<b>Total</b>	<b>3,491</b>	<b>3,305</b>	<b>6,796</b>	<b>3,690</b>	<b>3,395</b>	<b>7,085</b>

The Group's final headcount variation between 2021 and 2020 is -4%, mainly due to the sale of Distasa, Radio in Argentina, and downsizing in the rest of the structures, which are offset by the hiring of employees mainly in Mexico as a result of the new local regulations.

The voluntary turnover rate (measured as voluntary departures over average workforce) is 8.0% compared to 5.6% in 2020, mainly focused on Latin America (77% of the total number of dismissals with severance pay), while the redundancy rate stands at 9.7% compared to 4% in 2020 (measured as compensated departures over average workforce), mainly associated with departures due to staff turnover in most countries and sizes.

Redundancies measured as severance payments in the Group were 50% men and 50% women, 62% of which involved employees between 30 and 50 years of age. 21% were executives and middle management, while 79% were other employees.

	Men	Women	Total
Executives and middle management	77	62	139
Other employees	263	275	538
<b>Total</b>	<b>340</b>	<b>337</b>	<b>677</b>

The Group's voluntary redundancies are made up of 46% men and 54% women, with 67% of them in workers aged between 30 and 50.

Furthermore, total average remuneration across the Group, considering all job categories, is EUR 30 thousand, with men's remuneration being EUR 33 thousand (+11% above the average) and women's EUR 26 thousand (-11% below the average).



Progress of the last two years::

	2021	2020
<b>Average remuneration</b>	29,754	28,485

Prisa Group has carried out another exercise to calculate the salary gap that exists in its different professional categories, in line with that reported in 2020. In this calculation, the average remuneration and the weight of each category have been relatively weighted, obtaining a cumulative figure of 7.3% in 2021, compared to 10.7% in 2020. According to Eurostat (2019), the salary gap between men and women in the European Union was 14.1% compared to the figure reported in Prisa Group.

However, this year, in line with the guide provided by the Instituto de la Mujer y para la Igualdad de Oportunidades for the calculation of the salary gap, this calculation has been carried out with the following formula:

$$\text{Salary gap} = (\text{men's salaries} - \text{women's salaries}) / \text{men's salaries} * 100$$

	2021			2020		
	Men	Women	Gap	Men	Women	Gap
	(euros)		(%)	(euros)		(%)
Senior Management	139,712	94,683	32.23%	147,908	83,886	43.29%
Middle management	54,214	44,454	18.00%	55,195	42,729	22.58%
Technical staff	26,000	23,721	8.76%	24,201	22,393	7.47%
Other staff	11,814	12,858	-8.83%	12,478	11,755	5.80%
<b>Total</b>	<b>32,889</b>	<b>26,373</b>	<b>19.81%</b>	<b>31,947</b>	<b>24,722</b>	<b>22.62%</b>

As can be seen, the overall gap calculated produces a significant deviation due to the fact that the largest pay gap is concentrated in managerial positions, which are much higher than the rest of the categories and, moreover, made up of a minority of employees. In addition, weighting wages by the number of persons in each category gives a lower percentage.<sup>7</sup>

As to inclusiveness of people with a disability in employment, in Spain the Prisa Group has partnerships in place with Special Employment Centres for the provision of certain services (mainly cleaning) and other cooperation mechanisms under Spanish law (donations to special employment centres). The Group employed 26 people with disabilities equal to or greater than 33% (23 people in 2020), distributed by geographical origin as follows:

	2021	2020
Spain	13	15
Rest	13	8
<b>Total</b>	<b>26</b>	<b>23</b>

<sup>7</sup> The remuneration paid to directors and executives is reported in note 21 "Related Party Transactions" and note 22 "Remuneration and other benefits for the Board of Directors" to the consolidated financial statements.

As to disability in Latin America, different regulations apply in each country, with which the Group complies. In the countries with the largest presence, Brazil, Colombia and Mexico, local regulations are mainly oriented towards adapting facilities and work organisation systems for people with disabilities, as well as the adaptation and accessibility of facilities.

#### **1.6.2. WORK ORGANISATION**

In Spain, the staff get company perks, life and accident insurance, cover for disability or invalidity and maternity or paternity bonuses. In general terms, companies in Spain do not distinguish between full-time and part-time, or permanent and temporary contracts, for accessing these company benefits.

As a result of the continuation of measures focused on preserving health and safety at work due to the COVID-19 pandemic, Prisa Group has continued to facilitate and prioritise enabling employees to work from home with a flexible and efficient work organisation model.

In Spain, the Group has a digital disconnection policy for Santillana and a separate policy for Prisa Media. In addition, this policy is being adapted for each medium as part of the process of renegotiating collective bargaining agreements.

In practice, all of the collective agreements applicable to the various companies in Spain include working hours that are below the maximum legal working hours (40 hours per week). Furthermore, any exceptional overtime will be compensated in accordance with the provisions of some of the agreements of the companies that carry out their activity in Spain.

Some company agreements in Spain stipulate that overtime will be compensated with days off.

In addition, the distribution of the working day, both in Spain and in Latin America, includes flexible starting and finishing times, and working hours are adapted and there are intensive working hours at certain times of the year (summer, Christmas and Easter). These irregular working hours are established by agreement between the different departments and/or the workers' legal representatives.

For some companies in Spain, measures favouring work-life balance have been maintained, as mentioned below:

- Approval of a reduction in working hours, without the need for legal guardianship.
- Flexible schedules at companies and areas not subject to established shifts, such as summer working time.
- Paternity/maternity leave paid at 100% of salary.
- Childcare vouchers through the Flexible Compensation Plan for employees who so request. This programme continues to be carried out in some of the companies in Spain, with the catalogue of products permitted by the regulations.

- In Latin America, the most common practice is working time flexibility.

There are no disputes in the Group in matters of conciliation and work organisation, and there is no conflict in this area.

In addition, the Group's hours and absenteeism rate are the following:

Absenteeism rate <sup>8</sup>	1.47%
Total days lost	25,236

### 1.6.3. HEALTH AND SAFETY

Driving a preventive culture among all the companies that make up the Group is still a priority goal. There is an outstanding commitment to integrating occupational health and risk prevention into the general management system for the companies.

The Prisa Group has an Occupational Risk Prevention department in Spain within the Human Resources area. The department continuously identifies psychosocial factors that may pose a risk to employee health at the Group's companies. In Latin America, health and safety committees have been set up in several countries.

This year, which has continued to be affected by the pandemic, the Prisa Group has continued to focus on preventive measures and advice on COVID-19 matters for our employees, and has maintained the policies, procedures and recommendations applied since the beginning of the pandemic in March 2020 aimed at safeguarding the health of all employees and collaborators.

The Prisa Group continues to make an effort to maintain the continuity of its activities in both Business Units by providing employees with the necessary means to work from home.

Employees have continued to use networking formulas that have allowed them to maintain a sense of belonging to the group and to optimise remote working.

In Spain, all these communications are carried out through "*Comunica*", a corporate communication tool aimed at the workforce, with varied content ranging from recommendations for health prevention, news about the Group's activities, online training pills, conferences on emotional support and resilience, activities to promote family reconciliation and digital disconnection, and the dissemination of projects with a high level of employee participation.

The Prisa Group has also focused a large part of its efforts on health prevention, establishing safety and isolation policies in the workplace, control questionnaires and tests for employees, monitoring of those affected, etc. and optimising processes through digital tools.

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<sup>8</sup> Absenteeism rate: (Total no. of absenteeism hours / Total no. of planned hours worked) x 1000

During 2021, 15 occupational accidents have been recorded across the Prisa Group (7 men and 8 women), 77% less than those recorded in 2020 (67).

The key measurement indexes for the Group's health and safety are:

	Severity Index	Frequency Index
Men	0.08	0.99
Women	0.07	1.19
<b>Total</b>	<b>0.07</b>	<b>1.09</b>

Severity Index: (No. days missed/No. hours worked) x 1,000

Frequency Index: (Total no. of accidents with time off/Total no. of hours worked) x 1,000,000

In the area of accessibility to work centres, the Group has adapted its facilities in accordance with the regulations applicable in each country. There have been no accessibility disputes or complaint mechanisms for lack of accessibility at workplaces.

#### 1.6.4. SOCIAL RELATIONS

The collective bargaining agreements currently in effect involve improvements in employment and working conditions in relation to the minimum rights required by legislation. In general, information, representation and consultation procedures for employees are contained and regulated in the different collective bargaining agreements and are structured through the labour representation bodies regulated in the same.

All Group companies uphold freedom of association and the social dialogue necessary for the conduct of business is encouraged, in compliance with applicable labour laws.

The Group's employees, given their geographical dispersion, are subject to collective bargaining agreement regulations in some countries, while in others they are subject to a local regulatory umbrella, as there is no collective bargaining agreement. In this respect, 95% of employees in Spain are subject to collective bargaining agreements, with only very specific groups of senior management and executives not subject to collective bargaining agreements (in the case of Santillana, executives are subject to collective bargaining agreements, except for senior management).

In Latin America, depending on the country, workers are covered by collective, union or sectoral agreements or, where applicable, as in Colombia Santillana, where internal employment regulations are applied.

#### 1.6.5. TRAINING

The staff has at its disposal an *online* training offer through Prisa Campus (own online *platform*). The training actions taught at the different companies are available on this training platform. In Santillana, apart from this channel, the bulk of the training is managed from the countries and the headquarters.

In Spain, the Group makes available to employees through the Flexible Remuneration Plan the possibility of contracting any training provided that it is

related to the activity of their position, as well as training in language learning (English and Portuguese). This type of training is not considered as remuneration in kind and is therefore exempt from taxation.

In Santillana, within its own Conciliation Plan, Spain has a section to be able to request unpaid leave for all workers from 3 to 9 months to take a training course related to the job.

During 2021, 41,267 training hours have been carried out compared to 33,140 hours carried out during 2020, computing the hours with homogeneous criteria.

Training hours	2021	2020
Santillana	31,170	22,781
Prisa Media	9,950	9,080
Corporativo	147	1,279
<b>TOTAL</b>	<b>41,267</b>	<b>33,140</b>

In 2021, 74% of the hours have been delivered in the Santillana unit and 26% in Prisa Media and Prisa (Corporate). In 2020, 80% of the hours were taught in Santillana and the remaining 20% in the rest of the Group.

With regard to the distribution of training hours according to the responsibility of the people employed, 5% of the training hours have been invested in management staff (compared to 12% in 2020), 24% in middle management (same percentage as in 2020) and 80% in other staff (compared to 64% in 2020).

As for the distribution of training hours by territory, 17% of training hours have been invested in Spain (13% in 2020) and the remaining 83% have been invested in the rest of the geographical areas where the Group operates (87% in 2020).

#### **1.6.6. EQUALITY**

Equal opportunities between women and men is one of the basic objectives of the Prisa Group's Sustainability Strategy. The Group is therefore working to develop and implement the relevant mechanisms and to achieve the objectives in the coming years.

In addition, Prisa Group's workforce is geographically, culturally, gender and age diverse. The following statements are proof of this:

- Presence of workers in 23 countries.
- More than 32 different nationalities.
- Equitable staffing between women and men. At the end of 2021, the Prisa Group will be 51% men and 49% women.
- The average age of the Group in 2021 is 42.8 years old, 43.5 years old for men and 42.0 years old for women.

Furthermore, the collective bargaining agreements applicable to the various companies in Spain contain specific sections on equal treatment and opportunities for men and women, protocols for action in the event of harassment and other

measures to drive equality in all areas. Specifically, in the Prisa Radio agreement there is a section headed “Prisa Radio Group’s Equality Plan”, which sets out measures to promote equal treatment and opportunities between men and women in terms of recruitment, promotion and career development, training and work-life balance. The collective agreement for Ediciones El País also contains a section headed “Equality and Work-Life Balance Plan”, which serves, among others, the goals of achieving a balanced representation of women in the business and access for women to management positions.

In 2020 Santillana signed the Equality Plan 2020-2024 applicable to the employees of this business in Spain. Likewise, following the corporate changes brought about by the merger of the Media Business Units, work is underway to draw up a new Equality Plan, making good progress in the negotiation of collective bargaining agreements, job descriptions and the development of the diagnosis of the Business Units.

The Group also has a procedure for reporting and dealing with psychosocial harm to employees in the area of harassment. In addition, Media España has presented a protocol against sexual and workplace harassment to the Legal Representation of Workers, which applies to all companies.

#### **1.6.7. DIVERSITY IN THE MEMBERSHIP OF THE BOARD OF DIRECTORS**

The Prisa Board of Directors<sup>9</sup> is made up of 14 directors, all of whom are highly-qualified and honourable professionals, with skills and competencies in different areas and sectors of interest to the Group, and from different countries, in application of the principles set out in the Diversity Policy for the composition of the Board of Directors and the selection of directors and in the Board of Directors Regulations. The board members have different academic backgrounds and outstanding professional careers (see profile and biographical note at [www.prisa.com](http://www.prisa.com)).

The principles and objectives of the Diversity Policy in the composition of the Board of Directors and the selection of directors of the Company can be summarised as follows:

- Diversity in the composition of the Board in its broadest sense (knowledge, experience, background, age and gender), with special emphasis on gender diversity, in relation to which: (i) the Company will be encouraged to have a significant number of female senior managers and (ii) the objective is that by the end of 2022 and thereafter, the number of female directors will represent at least 40% of the total number of members of the Board of Directors, but no less than 30% earlier.
- Appropriate balance in the Board as a whole, enriching decision-making and bringing pluralistic viewpoints to the debate on matters within its competence.

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<sup>9</sup> Section 4 of the Consolidated Management Report and the Annual Corporate Governance Report details the membership of the Board of Directors which, as at 31 December 2021, consisted of 14 directors: two executive directors, six proprietary directors and six independent directors.

In January 2022, the Prisa Appointments, Remuneration and Corporate Governance Committee (CNRGC) carried out the annual verification of compliance with the Diversity Policy in the composition of the Board of Directors and the selection of directors, concluding that the composition of the Prisa Board of Directors is reasonably diverse in terms of knowledge, experience, origin, gender and age of the directors, with a positive balance overall.

The Appointments, Remuneration and Corporate Governance Committee has verified that, during 2021, the principles, objectives and procedures set out in the Diversity Policy have been taken into account in the composition of the Board of Directors and the selection of directors, in terms of proposals for the appointment and re-election of directors, as well as the election of positions.

The actions taken to reinforce the presence of women on the Board of Directors are noteworthy, as three new female directors have joined the Board in 2021, and there are now five female directors, representing 35.8% of the total number of members.

Women directors have a significant presence in the Company's bodies: Ms Beatrice de Clermont-Tonnerre is the Coordinating Director, Chairwoman of the Appointments, Remuneration and Corporate Governance Committee and member of the Delegate Committee; Ms Teresa Quirós chairs the Audit, Risk and Compliance Committee; Ms Carmen Fernández de Alarcón is a member of the Appointments, Remuneration and Corporate Governance Committee; Ms María Teresa Ballester is a member of the Audit, Risk and Compliance Committee; and Ms Pepita Marín Rey-Stolle is a member of the Delegate Committee and the Audit, Risk and Compliance Committee.

It is hereby noted that in February 2022 the Board of Directors has agreed upon: i) the creation of a Sustainability Committee made up of five directors, four of whom are women (its Chairwoman María Teresa Ballester, Beatrice de Clermont-Tonnerre, Teresa Quirós and Carmen Fernández de Alarcón) and ii) the incorporation of the director Carmen Fernández de Alarcón to the Audit, Risk and Compliance Committee, replacing Amber Capital.

Thus, at present, the weight of women in the composition of the different Board Committees is significant: 100% in the Audit, Risk and Compliance Committee; 80% in the Sustainability Committee; 50% in the Appointments, Remuneration and Corporate Governance Committee and 25% in the Delegate Committee.

The Annual Corporate Governance Report details the results of the analysis carried out by the Appointments, Remuneration and Corporate Governance Committee. The Appointments, Remuneration and Corporate Governance Committee and the Board have highlighted the need to make further progress on gender diversity objectives in order to meet the target recommended by the CNMV (and expressly included in the Policy on diversity in the composition of the Board of Directors and the selection of directors) that by the end of 2022 and thereafter, the number of female directors should represent at least 40% of the total number of members of the Board of Directors. More female managers will also need to be encouraged to join the organisation, although good progress has been made in this area during the 2021 financial year.

## **1.7. RESPECT FOR HUMAN RIGHTS AND THE FIGHT AGAINST CORRUPTION AND BRIBERY**

### **1.7.1. COMPLIANCE: CODE OF ETHICS, COMPLIANCE UNIT, WHISTLEBLOWER'S CHANNEL**

The Prisa Group is committed to strict compliance with all laws and regulations that apply to it and with the principles and rules of conduct set out in our Code of Ethics, which is the keystone of our compliance model.

The Prisa Group Code of Ethics<sup>10</sup> contains the catalogue of principles and rules of conduct that govern the actions of the companies that make up the Group and all their employees, to ensure ethical and responsible conduct in the performance of our business. It is available in Spanish and English on the Prisa corporate website ([www.prisa.com](http://www.prisa.com)), and forms part of the welcome pack given to all employees when they are hired.

The Code includes some general ethical principles regarding human rights and public freedoms, professional development, equal opportunities, non-discrimination and respect for people, health and safety at work and environmental protection.

Likewise, Prisa Group has a Compliance Unit (CU), which in July 2021 went from being a collegiate body to a unipersonal body with the appointment of a Chief Compliance Officer (CCO) as head of the regulatory compliance function in Prisa Group.

The development of the compliance model aims to strengthen the independence of the Company's three lines of defence for compliance risk management and for Compliance, as a promoter of an ethical corporate culture of compliance, to be an additional lever in the company's sustainability. The CCO, as a body with autonomous powers of initiative and control reporting directly to the Prisa Audit, Risk and Compliance Committee, is responsible, among other functions, for ensuring and promoting the ethical behaviour of the Group's employees and professionals, and identifying, managing and mitigating compliance risks.<sup>11</sup> In addition, the CCO has taken over the functions of the Criminal Prevention Body provided for in the Criminal Code.

The parent companies of the Group's Businesses have their respective compliance units, which act in coordination with the CCO. In the last quarter of 2021, work has been carried out on the development of the compliance model in the Business Units in Spain, in line with the Company's model, to replace the CU as a collegiate body with a CU as a single-person body with a Chief Compliance Officer. This model will be effective from 2022. The purpose of this development in the Business Units is to strengthen the *Compliance* function and to increase the coordination of common compliance objectives between Prisa and its subsidiaries. Certain subsidiaries of the Business Units, due to their significance or legislative requirements in the countries in which they operate, have set up specific

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<sup>10</sup> It is referred to in paragraph F.1.2 of the Annual Corporate Governance Report.

<sup>11</sup> Described in paragraph F.1.2 of the Annual Corporate Governance Report.



compliance units or appointed a compliance officer. In this regard, there are Compliance Units or officers in companies in Brazil, Mexico, Ecuador, Colombia and El Salvador, among others.

Likewise, Prisa Group has a whistle-blowing channel<sup>12</sup>, which is accessible on the corporate website ([www.prisa.com](http://www.prisa.com)) to third parties, on the employees' intranet and through a post office box in Madrid, through which any person, anonymously and confidentially, can report any irregularity or breach of both external and internal regulations. The complaints handling procedure, in place since 2016, was revised in November 2021 to adapt it to the new compliance model. It regulates the reporting of irregularities, guarantees that there will be no retaliation against whistleblowers who report alleged non-compliance or irregularities in good faith, describes the process of investigation, resolution, the application of sanctions (if applicable) and the communication of decisions taken.

The whistleblowing channel is managed by the Group's CCO. Thus, if an event affects a Business Unit, the CCO will pass it on to the corresponding Business Unit in order to coordinate its analysis with the latter. If the Businesses' CUs receive complaints through other channels they will bring it to the attention of the CCO. In relation to the process of investigating the allegations, depending on the sphere, scope and persons allegedly involved, the CU of Prisa or of the Businesses will assess the investigation strategy to be developed, and may follow different routes, including the outsourcing of all or part of the investigation. In any case, it is essential to include in the dossier detailed information on all the actions carried out. Once the investigation has been completed, the findings and decisions taken will be reflected in order to mitigate risks and seek to prevent further irregularities from occurring.

With respect to resolving queries related to the Code of Ethics and other internal regulatory, ethics and compliance matters, the Group's employees also have a compliance mailbox ([cumplimiento@Prisa.com](mailto:cumplimiento@Prisa.com)) managed by the CCO.

Finally, there are compliance mailboxes associated with the Compliance Units of each business, redirected to the Group's compliance mailbox, through which doubts can be reported on any ethical or integrity issues, on the Code of Ethics and other matters, as well as reports of improper conduct. A procedure similar to that for complaints received through the whistleblower channel is followed when processing complaints received through these mailboxes.

In 2021, 24 complaints were received, 4 fewer than in 2020 (28). Of these, 4 were justified, 4 are ongoing, 3 of which are employment claims, and 16 were unfounded. The successful complaints have resulted in one case in the dismissal of the respondent, in another case in an employment sanction and in the other two cases in commitments to change the management style of the leadership.

## **1.7.2. RESPECT FOR HUMAN RIGHTS**

Prisa Group is firmly committed to the respect of human rights and individual freedoms. As proof of this, the Group is a member of the United Nations Global

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<sup>12</sup> Described in paragraph F.1.2 of the Annual Corporate Governance Report.

Compact and forms part of the Executive Committee of its Spanish Network, and is committed to the Ten Principles with which this global organisation promotes human rights, the fight against corruption, labour rights and care for the environment.

Prisa Group's Code of Ethics includes respect for human rights as an ethical principle. Article 4 commits to respecting and protecting human rights and civil liberties, building democracy and freedom of expression, preserving the natural environment and contributing to the development and well-being of the communities with which it interacts. It also expresses its total rejection of child labour and forced or compulsory labour, and its commitment to respect freedom of association and collective bargaining. All these commitments are accessible to its stakeholders and the general public. The Code of Ethics is permanently published on Prisa's corporate website ([www.prisa.com](http://www.prisa.com)).

The Group also monitors and promotes the ethical behaviour of its professionals, and monitors, disseminates and provides training on the Code of Ethics, within the framework of its Compliance Programme and its Crime Prevention and Detection Model. With regard to the systems for preventing risks of human rights violations in the supply chain, it is worth highlighting the inclusion in the contracting processes with its suppliers of issues related to human rights through Prisa's General Purchasing Conditions, which are available on the corporate website. In addition, in the supplier approval procedure, suppliers are assessed in terms of social responsibility, including respect for human rights, in order to validate and approve them as suppliers of the Group.

In the non-financial risk map, as a monitoring indicator in the area of respect for human rights, the number of complaints received and substantiated is taken as a reference. Of the total number of complaints received and dealt with in 2021, 10 are included in the area of human rights as they are mainly complaints regarding harassment at work, 5 complaints less than in 2020. After analysis, it has been concluded that of the 10 complaints, 6 were unsubstantiated, 1 is in the conclusions phase with no impact on human rights, and the other 3 have been reported through labour lawsuits, which are being processed. In this respect, it has not been necessary to apply the disciplinary regime and in legal cases it will be in accordance with the final judgement.

### **1.7.3. FIGHT AGAINST CORRUPTION AND BRIBERY**

The Code of Ethics sets out the basic principles for internal control and prevention of corruption, governing aspects such as transparency, truthfulness and reliability of information and control of records, bribery and anti-corruption measures, prevention of money laundering and payment irregularities.

On October 26, 2021, the Prisa Board of Directors approved the Compliance Policy with which the Prisa Group declares its commitment to the function of regulatory compliance or *compliance*, understanding that this means not only complying with applicable laws and internal regulations but also promoting a culture of ethics and corporate integrity in its daily activity. It also reinforces its commitment to the company's purpose and the values, principles and standards of conduct promulgated in the Code of Ethics.

In addition, the Prisa Group has an online course on the Code of Ethics, made available to employees in December 2020. As at December 31, 2021, the number of employees who had completed the course was approximately 2,270 people. This course reviews the principles and rules of conduct of the Code of Ethics and refers to the transversality of the function and therefore to the necessary collaboration of all to minimise the risks of non-compliance and to act ethically, with integrity and responsibility.

The principles regarding internal control and prevention of corruption are reinforced by other specific rules in our compliance model such as the Anti-Corruption Policy, approved by the Prisa Board of Directors in February 2017, which establishes the Prisa Group's commitment in the fight against corruption in all its forms, in all areas of activity and in all countries in which it operates, and the Guidelines issued to strengthen measures to prevent and avoid money laundering from criminal or illicit activities in the Group's companies. These rules lay down guidelines, precautions and procedures that must be observed by all professionals and companies in the Group when conducting their business activities.

Likewise, taking as a basis for its development the Code of Ethics and the Anti-Corruption Policy, in October 2018 the Board of Directors approved the Prisa Group's Investment and Financing Policy, which aims to establish the applicable framework in relation to the analysis, approval and control of investment or divestment projects and the coverage of the financial needs, control and management of financial risks of the Group's businesses.

Prisa Group also has among its specific rules a Gifts Policy, which aims to guide professionals and bodies of responsibility in making the right decisions regarding the acceptance and offering of gifts, services or other hospitality, within the framework of the Group's commercial relations.

The Crime Prevention and Detection Model is another of the pillars on which the compliance model is built, in line with the general organisational and management requirements set out in sections 2 and 5 of article 31 bis of the Spanish Criminal Code for Spanish subsidiaries. Specifically to detect and prevent corruption and bribery, it is essential to have a matrix of crime risks and controls. The model for prevention and detection of criminal offences is subject to an ongoing process of verification and updating to ensure its effectiveness and proper functioning of the controls.

With regard to the measures envisaged to prevent corruption and bribery, the Strategic Sustainability Plan for the next financial year envisages actions such as launching a specific course on anti-corruption with a global scope in the Group and continuing to promote the implementation of the Code of Ethics course and its understanding.

A key indicator for assessing the risk of corruption, in all its forms in both the public and private sectors, is the number of complaints received and substantiated each year. Of the 24 complaints received and analysed in 2021, five related to corruption compared to eight complaints of the same nature in 2020. Of the corruption complaints handled in 2021, none were substantiated, compared to

three in the previous year. Therefore, it has not been necessary to apply the disciplinary regime. However, in general, preventive measures have been taken by promoting the Code of Ethics course and by providing employees with the means to make any enquiries on the subject.

The Group has in place other policies and procedures as additional measures to prevent bribery and combat corruption, including:

- Procedure for action facing government bodies.
- Procedure for the granting of powers of attorney, restrictive.
- Travel and entertainment policy, revised in October 2021.

With regard to the protocol for action in cases of corruption, bribery or money laundering, employees and third parties are provided with the whistleblowing channel and the compliance mailboxes; furthermore, in the case of employees, they are encouraged to consult their hierarchical superior and/or Human Resources, promoting “whistleblowing without fear”, as the Code of Ethics prohibits any type of reprisal against employees who report, in good faith, infringements or potential misconduct.

## 1.8. INFORMATION FOR SOCIETY

Prisa Group, aware of its contribution to the progress and development of society through its business activity, carries out its communication and educational work on the various issues of concern to society, and maintains its commitment to generating a positive impact and promoting social actions, undertaken in collaboration with other entities and strategic allies.

Prisa’s direct impact on society is reflected in the value generated and distributed in 2021. The Group’s direct contribution is a consequence of its business activity. Thus, it details its income and the expenses incurred, including payments to staff, associated with the contribution of value in the generation of employment.

<b>Prisa Group’s Social Impact (Thousands of euros)</b>	<b>2021</b>
<b>Economic value generated</b>	<b>754,085</b>
Operating income	741,168
Interest income	11,513
Profit or loss under the equity method	1,404
<b>Economic value distributed</b>	<b>743,198</b>
Cost of materials used	360,208
Staff costs	307,945
Finance costs	60,444
Payment of taxes on profits	13,219
Dividends	1,381
<b>Economic value retained</b>	<b>10,887</b>

### 1.8.1 SOCIAL COMMITMENT

The Group's social action is carried out transversally by each of the Group's Business Units, depending on their local or regional scope of activity.

In total, in 2021 the Prisa Group made contributions in the amount of 3,717 thousand euros (1,495 thousand euros in 2020), representing 34% of the economic value retained in 2021.

<b>Contributions to foundations and non-profit entities (Thousands of euros)</b>	<b>2021</b>	<b>2020</b>
Prisa Headquarters	316	263
Santillana	661	483
Prisa Media	2,740	749
<b>Prisa Group Total</b>	<b>3,717</b>	<b>1,495</b>

The Group works alongside many associations, foundations and NGOs, and various initiatives are carried out in countries in which the Group operates, such as Brazil, Chile, Mexico, Guatemala, El Salvador, Honduras and Puerto Rico, among others.

<b>Business Unit</b>	<b>Nº of entities 2021</b>	<b>Nº of entities 2020</b>
Prisa Media	26	5
Santillana	19	13
Corporate	7	6
<b>Total</b>	<b>52</b>	<b>24</b>

Of these contributions, 89% correspond to the cession of advertising space to social entities for a value of EUR 3,309 thousand.

Below is a breakdown by country and business unit of the contributions in thousands of euros made during the year.

<b>Contributions to foundations and non-profit organisations (thousands of euros) broken down by country and Business Unit</b>	<b>Headquarters</b>	<b>Santillana</b>	<b>Prisa Media</b>	<b>Prisa Group Total</b>
Spain	316	207	2,740	3,263
Brazil	-	4	-	4
Chile	-	7	-	7
El Salvador	-	3	-	3
Guatemala	-	196	-	196
Honduras	-	209	-	209
Mexico	-	32	-	32
Puerto Rico	-	2	-	2
<b>Total</b>	<b>316</b>	<b>661</b>	<b>2,740</b>	<b>3,717</b>

### 1.8.2 DIALOGUE AND COMMUNICATION WITH STAKEHOLDERS

Prisa Group is aware that ongoing dialogue with society allows it to know the needs, expectations and interests of the communities where the Group operates, so that it can become involved in their development and continuously improve.

Dialogue and communication with stakeholders are key to the exercise of the Group's responsibility. Therefore, over the last few years, and with the accompaniment of the stakeholder identification and management process, the relationship with stakeholders is reflected in the following manner:

Prisa Group stakeholders	Communication channels
Shareholders and investors (core shareholders, institutional investors, minority shareholders, analysts)	Shareholders' meetings, National Securities Market Commission (CNMV), corporate website, Investor Relations Department (meetings with shareholders and investors, conference call of results, electronic mailboxes, telephone and other communication channels) and Shareholders' Office.
Professionals	Newsletters, intranet, blog, internal communications, trade union committees, internal complaints channel, suggestion box, etc.
Users (readers, listeners, educational community, pupils, etc.)	Websites, newsletters, social media, interviews, contests, surveys, reader's ombudsman, mailboxes, customer service, educational portals, promotional material, etc.
Users (customers, advertisers, advertising agencies, education sector)	Commercial network, websites, telephone, newsletters, promotional material, meetings with advertisers and agencies, etc.
Society (general public, NGOs, associations, foundations, cultural and educational institutions)	Collaboration agreements, discussion forums, fairs and events, etc.
Opinion leaders	Press releases, websites, e-mail, phone, interviews, meetings, social media, etc.
Regulators, administration and authorities	CNMV website, institutional relations, tenders, events, etc.
Suppliers	Corporate website, telephone, direct contact, congresses, meetings, e-mail, etc.
All stakeholders	External complaints channel

### 1.8.3 COMMITMENT TO SUSTAINABLE DEVELOPMENT

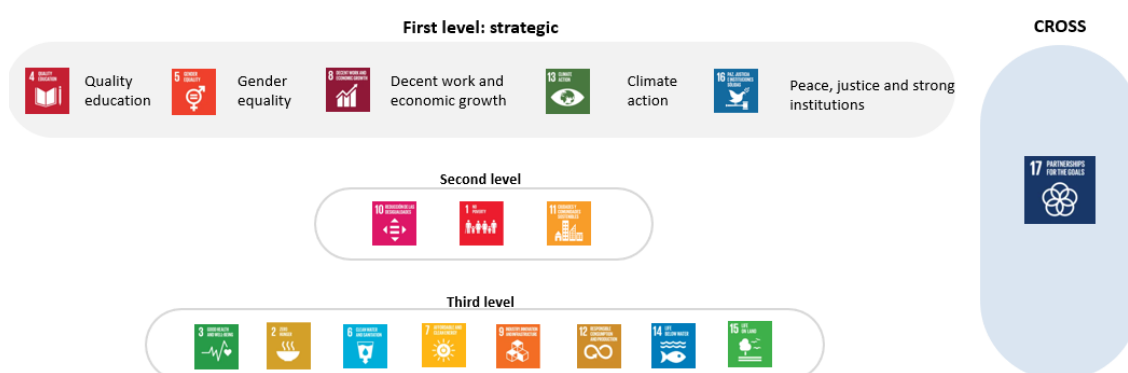
Prisa Group's business model makes an inherent contribution to sustainable development and the progress of people and society by offering quality education and accurate, independent and responsible information.

Therefore, in line with this objective, the Group has a Sustainability Policy (latest version updated and approved by the Board of Directors on 16 November 2020) which, together with its Code of Ethics, establishes the reference framework to

ensure responsible behaviour towards its stakeholders. This policy is communicated and published on the corporate website ([www.prisa.com](http://www.prisa.com)).

The Group reflects its commitment to sustainable development through various initiatives and projects aligned with the SDGs to meet the 2030 Agenda.

Five strategic objectives have been defined for the Group on which it impacts through its social commitment: SDG 4: Quality education, SDG 8: Decent Work, SDG 5: Gender equality, SDG 16: Peace, justice and strong institutions and SDG 13: Climate action. and 4 complementary objectives: SDG 10: Reduced inequalities, SDG 17: Partnerships for the goals, SDG 11: Sustainable cities and communities and SDG 1: No poverty



## Prisa Group's contribution to the five strategic SDGs

### *SDG 4, Quality education*

For engaging in its activity, especially in the area of Education, and its decisive role in raising awareness - a key factor in achieving the 2030 Agenda - of sustainable development in society.

### *SDG 8, Decent work and economic growth*

In promoting local employment and fostering economic growth.

### *SDG 5, Gender equality*

Raising awareness of equal opportunities and non-discrimination, articulated through content, initiatives and campaigns.

### *SDG 16, Peace, justice and strong institutions*

Simply by undertaking its activity, which promotes respect for human rights and individual freedoms, the construction of democracy and freedom of expression.

### *SDG 13, Climate action*

For its important role in raising public awareness of climate change, for which it develops specialised content and specific partnerships.

In 2021, Prisa Group reinforced this commitment to the 2030 Agenda; it is a member of the United Nations Global Compact and is part of the executive committee of its Spanish Network.

It is committed to the Ten Principles with which this global organisation promotes human rights, anti-corruption, labour rights and care for the environment.

In this regard, the Group has participated in the #supporttheSD campaign, the aim of which is to act as a loudspeaker to achieve a multiplier effect and raise awareness and work on the 2030 Agenda. It is also one of the companies behind the go!SDG Awards, which recognise innovation projects that contribute to achieving the SDGs.

In September 2021, coinciding with the sixth anniversary of the approval of the United Nations 2030 Agenda, Prisa Group launched the #DejaBuenaHuella (#LeaveGoodFootprint) campaign simultaneously in all the Group's media. With it, the Group invited readers to find out what small actions they can take to make progress on the SDGs. The 2030 Agenda is a global call, a goal that requires specific plans to be adopted in countries, institutions and companies, and where the individual contribution of citizens must not be left out. That is why the #LeaveGoodFootprint campaign appealed directly to individual responsibility.

The Prisa Group is also part of the group of companies that make up the SERES Foundation. In 2021, it collaborated in disseminating the Foundation's initiatives, focusing on the social impact of companies and the dissemination of its SERES Awards, which is a recognition of the best strategic and innovative actions that generate value for society and the company.

It is also a member of Forética, the leading organisation in sustainability and corporate social responsibility whose mission is to integrate social, environmental and good governance aspects into the strategy and management of companies. In 2021, Prisa Group took part, as a media partner, in the 'JOBS 2030 - Future of Work' project, an initiative promoted by this organisation that seeks to advance sustainable growth in society by ensuring diversity and inclusion in the workplace.

Forética recognised the UAM-EL PAÍS School of Journalism as one of the 40 business initiatives with high social impact selected within the framework of the project, reaffirming its commitment to decent work and economic growth (SDG 8), one of its priority objectives.

In the field of education, Prisa Group is a trustee of Fundación Conocimiento y Desarrollo (CYD - Knowledge and Development Foundation), which analyses and promotes the contribution of universities to the economic and social development of Spain, and of the Princesa de Girona Foundation, which supports young people in their occupational and personal development.



It also collaborates with the Hermes Foundation in defending democratic principles, developing the information society and defending digital rights; and with the FAD Youth Foundation, of which it is a founding trustee and member of its media committee, to promote the personal and social development of teenagers and young people through education in positive attitudes and the prevention of social risk behaviour.

In its commitment to combat climate change, the Group partners with the World Wildlife Fund (WWF), the largest independent international organisation that advocates for nature and the environment. It has been supporting Earth Hour since 2009. With this initiative, it reinforces its contribution to SDG 13, Climate Action, of the United Nations 2030 Agenda.

In the field of innovation, research and development, Prisa Group is a founding trustee of Fundación Pro CNIC (National Centre for Cardiovascular Research) and helps disseminate its campaigns.

It is also a media partner of the Emergency Committee, made up of five NGOs (Action Against Hunger, Doctors of the World, Oxfam Intermón, Plan International and World Vision) that decided to join forces to channel the solidarity of citizens and companies in major humanitarian emergencies.

### **Impact of the Group's activity on employment and local development**

*Impact on SDG 4, Quality education and SDG 8, Decent work and economic growth*

Prisa Media's impact on society has materialised in 2021 in meeting forums where different professionals or students can meet and discuss issues that are important to society.

Projects such as *El País con tu futuro* (El País with your future), an educational event focused on the world of work and professional development that helps young people to orientate their future, are noteworthy. The pieces published in [elpais.com](http://elpais.com) reached 51 million people.

The UAM-El País School of Journalism, created in 1986, belongs to a non-profit foundation integrated by the Autonomous University of Madrid and El País. The School's main activity is the Master's degree in journalism, which had 109 students in 2021. The School of Journalism has also provided thematic courses to 877 students.

Events such as *Branding Day* and *SER Forums and Meetings* contribute to creating discussion points where people from different backgrounds (from leaders to students and entrepreneurs) meet and exchange knowledge on the essentials of business communication, marketing, media and coaching.

Prisa Media promotes employability through practical training. Collaborations with universities and schools are carried out at the secondary and higher education levels, in line with the training programme established by the student and contributing to the creation of a more qualified profile for employment.

In 2021, Santillana's contribution to local employment focused on boosting the entire industry that revolves around the events and congresses organised by the company, as well as the employment it has offered to people from diverse backgrounds.

Santillana also offers training programmes in various areas to local communities to increase their professionalism and employability and promotes the employment of young people (aged 18 to 26) with no previous work experience. These people often have difficulties in finding employment and Santillana becomes their first work experience. In parallel, the company continuously feeds job portals, participates in job fairs and private job exchanges.

### **Impact of the Group's activity on local populations and the territory**

The following highlights social, cultural and environmental content and actions that Prisa Group has carried out in 2021 and which have an associated positive impact.

#### *Impact on SDG 4, Quality education*

Santillana contributed to society through the numerous educational initiatives it launched in 2021.

In 2021, Santillana continues to support teachers, pupils and families by providing virtual training largely free of charge. More than 1,500 online training and awareness-raising events were held for the education community on various topics: use of educational technology, new hybrid learning methodologies, socio-emotional management of students, formative assessment, use and interpretation of learning analytics, among others. In Brazil, the educational webinars broadcast on Santillana's YouTube and Facebook channels reached 1,5526,950 views.

In addition to training, the company focused its efforts on generating social impact through three axes: support for students with special needs, with campaigns such as "Libros escolares accesibles" (Accessible school books), carried out with the civil association Tiflonexos (Argentina) for the creation of the first digital library for visually impaired children; the promotion of reading, with actions such as the national campaign "Más libros. More education. Mejor futuro" (More Books. More education. Better future), also in Argentina; and the educational congresses and publications, meeting points for reflection on the challenges of the education of the future.

In terms of content, the new educational projects developed in 2021 gradually incorporate the SDGs of the United Nations 2030 Agenda and the search for solutions to the challenges of sustainability. In Mexico, the Asombro Compartir project, aimed at pre-school and primary school students, includes teaching sequences inspired by an SDG or by STEM projects from NASA, MIT, Project Zero or UNESCO.

In 2021, the *Propósito Santillana* (Santillana Proposal) project, created by Santillana to promote its social commitment and communicate all its sustainability actions in Latin America, has been continued. Within this framework, the company has

developed an internal and external communication campaign to disseminate the UN SDGs.

The Santillana Foundation, created in 1979, encourages debate and reflection to contribute to improving the quality of education.

#### *Impact on SDG 16, Peace, justice and strong institutions*

Prisa Media's media outlets have the vocation and mission to present daily information that is truthful, as complete as possible, interesting, current and of high quality, in order to help readers, listeners and users to understand reality and to form their own criteria.

In 2018, El País joined *The Trust Project* an initiative that was launched with the aim of strengthening public trust in the media through greater transparency and accountability. By creating a set of trust indicators and digital standards, this project aims to identify and prioritise quality information from rigorous media. El País is strongly committed to the transparency that The Trust Project is committed to.

Along these lines, in 2021 El País launched the campaign *Porque si somos más la oscuridad es menos* (Because if we are more there is less darkness), which appeals to quality journalism and the commitment of readers to combat disinformation. A place where society can build itself and continue to grow healthily.

*The Ortega y Gasset Journalism Awards*, created in 1984 by El País, highlight the best journalistic works, originally published in Spanish, during the previous year, which exemplify defending freedoms, independence and rigour as virtues of the profession. In 2021, the public service nature of journalism during the year of the coronavirus pandemic has been rewarded, without forgetting another major crisis: the environmental crisis.

*The Ondas Awards* |, after 68 editions, maintain their objective of recognising and promoting radio, music and television productions that contribute innovative elements and improve the audience experience. In 2021, 550 applications were received from 17 countries around the world.

#### *Impact on SDG 8, Decent work and economic growth*

Prisa Media held a large number of economic forums, events and debates. These include *Foro Futuro: Observatorio de tendencias económicas* (Future Forum: Observatory of economic trends) organised by Cinco Días in collaboration with the Santander Group where the necessary reforms for the labour market and the future of economic and financial activity are addressed.

El País organised the fourth edition of *Foro Tendencias* (Trends Forum) with the aim of anticipating and analysing the challenges that will mark politics and the economy in Spain in 2022 or the debate *European funds for transformation* in collaboration with Deloitte on the challenges and opportunities of the *Next Generation* programme.

*Un país para...* (A country for...), a series of contents - produced by El País in collaboration with Telefónica - that focus on the post-pandemic recovery in different areas.

RETINA SQL analysed the position of Europe and Spain in the face of global challenges, the importance of foresight within organisations, technological determinism and the management of change.

*The Cinco Días Awards for Business Innovation* have become in its fourteenth edition a key event in the business environment through recognising the most innovative initiatives in the business sector.

Cadena SER organised events throughout the country such as *SER Recorre España* to learn first-hand about the current political and social situation in times of coronavirus and to hear how the future is being faced from each of Spain's territories. Other forums such as *Conversa. Legacy 2030: La Herencia que Dejas* (The Inheritance You Leave Behind) create a space for debate and reflection on different SDGs or *AGRO R&D* about job opportunities, new technologies, local success stories, future projects or European and national funds.

#### *Impact on SDG 5, Gender equality*

Prisa Media, through Cadena Dial, continued with the *Diversamente Iguales. Auténticamente Libres* (Diversely Equal. Authentically Free) campaign in favour of a diverse society, with equal rights and opportunities and coinciding with the International Day of Women and Girls in Science, Cadena Dial launched the action *Mx=C, Women Equal in Science*, with the aim of highlighting the role of women in the scientific sector.

By promoting leading scientific voices, Prisa Media helps young women to see role models that could shape their future decisions. Other events such as *Con Voz de Mujer* (With a Woman's Voice) give the mic to women from different fields (politics, business, culture and sports) to inspire and promote a more equal society.

2021 became a year in which research was more relevant than ever. For this reason, Dial Awards also wanted to pay tribute to science by giving a voice to women scientists, role models for thousands of girls to follow, and by collaborating with CSIC research projects. Part of the proceeds from the 25th edition of the gala were donated to the projects of the IPNA-CSIC, a CSIC centre located in Tenerife and a world leader in sustainable development on oceanic islands.

#### *Impact on SDG 13, Climate action*

In 2021, Prisa Media organised a number of events to address the environmental crisis, including the second edition of *Foro comprometidos: desafíos después de la COP26* (Committed Forum: challenges after COP26). *And what can you do for sustainability?*, the cycle of events called *Emisión Cero* (Emission Zero) organised by El País and Acciona or *Radar Sostenibilidad* (Sustainability Radar), an initiative by El País and Banco Santander. These events bring together technology and environmental experts and business leaders to address the major challenge of climate change and find solutions.

EL PAÍS RETINA organised the first edition of the *Retina Eco Awards* which aim to reward the best projects in the field of the fight against climate change and sustainability using technology.

LOS40 has continued its strong commitment to caring for the planet and promoting environmental action. With the *Sintoniza Con Tu Planeta* (Tune In To Your Planet) campaign, it seeks to raise awareness and mobilise its listeners and users and public opinion at large by promoting the adoption of measures that have a positive impact on environmental protection through its platforms LOS40, LOS40 Classic, LOS40 Dance and LOS40 Urban.

LOS40 Music Awards have become a powerful loudspeaker to give visibility to the fight against climate change and specifically in its 2021 edition, to the conservation of seas and oceans by being held in the Balearic Islands, an enclave noted for its natural value.

As part of the Group's work to raise awareness of climate change, Santillana has carried out various initiatives, such as the virtual exchange experience between secondary school students from Mexico and Colombia, who had to respond to the environmental challenge "What do you propose to preserve and conserve the iconic tourist sites in your country?"

In some cases, environmental protection is also promoted through recycling campaigns to support local communities.

#### *Impact on SDG 10, Reducing inequalities*

From Prisa Media, El País organised the meeting *Otras Formas de Pensar la Ciudad: ideas contra la desigualdad* (Other Ways of Conceiving the City: ideas against inequality) in Madrid and Barcelona to support cities in the aftermath of the pandemic and create a space in which new approaches are envisioned that combine environmental, socio-economic and gender sustainability with initiatives to reduce inequality and strategies to ensure equal opportunities.

*La España Vacía* (Empty Spain), organised by Cadena SER, was developed throughout 2021 as a travelling forum with the aim of giving visibility to the rural environment and how institutions are tackling the demographic challenge. The value of rural Spain is a way of reducing inequalities thanks to the entrepreneurial dynamism that is generated after the meetings.

Santillana's main initiatives to reduce inequalities include donating educational material such as that granted in 2021 to classroom libraries in low-income Mayan communities in Guatemala, carried out by *Asociación Educadores Populares Reasentados* from Quiché, as well as the NGO *Dona un libro, cambia una mente* (Donate a book, change a mind), which promotes mass book collections to create or strengthen the libraries of Honduran state schools. Financial contributions have also been made to *Fundación Entreculturas /Fe y Alegría*, for the implementation of the *#Voyaser* programme, which helps girls at risk of social exclusion in Peru and Guatemala to finish secondary school.

#### 1.8.4. RESPONSIBLE SUPPLY CHAIN MANAGEMENT (SUBCONTRACTING AND SUPPLIERS)

The Prisa Group is aware that, in order to achieve true sustainability, it must manage and work towards a responsible value chain, with practices, policies and procedures that are in line with the environmental and social impact of the management of this matter by its suppliers.

For this reason, the General Purchasing Conditions that the Prisa Group manages and publishes on its supplier portal lay down the guidelines for responsible purchasing and the incorporation of social and environmental issues from the start of negotiations.

In addition, Prisa Group has a supplier approval procedure for the evaluation and control of the main suppliers of the Group's different companies throughout the world. This procedure includes aspects that cover issues such as social responsibility, labour and tax equality, as well as those related to the prevention of occupational risks, the fight against fraud and corruption, and the environmental management systems that suppliers may have in place.

In addition, due to the type of supplies required by Prisa Group companies (increasingly, service provision), the high percentage of local suppliers with which we work in each country and the fact that no significant risks have been detected that would prompt a more detailed inspection, no audits of the current supplier base are planned for the medium term.

Prisa Group has set itself the objective of continuing its commitment to developing and generating a positive impact on its suppliers, promoting a local value chain, in line with the United Nations 2030 Agenda and, in particular, with SDG 8 decent work and economic growth.

In this respect, the objective is to maintain a consolidated allocation in each business grouping, over the next three years, of more than 80% of the payments to be made to suppliers with a tax residence where the purchase and delivery of the product or service takes place.

Thus, in 2021, payments to suppliers for the entire Prisa Group amounted to 524 million euros, 91.9% of which were made to local suppliers (482 million euros). By Business Unit, Santillana and Prisa Media account for 91% and 93% respectively of their spending with local suppliers.

	Payment to suppliers (million euros)	
	2021	2020
Total suppliers	524	510
Local suppliers	482	456

Payments to local suppliers	
2021	2020
91.9%	89.5%

In 2021 the Prisa Group increased its percentage of suppliers officially approved in terms of environmental practices, employment practices, human rights and social aspects, from 58% in 2020 to 74% in 2021.

#### **1.8.5. CONSUMERS, USERS, READERS AND LISTENERS**

Prisa Group's relationship with customers, readers, listeners and other types of consumers (teachers, students or parents of students in the case of Santillana) is based on transparency, and on offering services with service quality standards that exceed the standards laid down by the applicable regulations.

In addition, in recent years, the Antitrust Policy has been maintained, the purpose of which is to describe the general principles and rules of conduct to be observed by the Group's companies, personnel and executives in order to compete fairly in the markets, promoting free competition for the benefit of consumers and users and complying with antitrust regulations in the jurisdictions in which the Group is present, avoiding conduct that constitutes or could constitute collusion, abuse or restrict the competition.

Prisa Group's businesses, activities and investments in the area of education, radio and press are subject to a regulatory framework that is specific to the sector where these businesses are run. Except for press business or some activities in the area of education, where there is a direct relationship with the consumer and/or user, the General Spanish Law in Defence of Users and Consumers (Spanish Royal Legislative Decree 1/2007 of 16 November, as revised by Spanish Law 3/2014 of 27 March) is not applicable.

The Prisa Group also provides consumers with permanent complaint systems, such as the Whistleblower Channel for third parties, which is available on the corporate website. The Business Units also establish specific channels in each country to address complaints associated with the services provided.

In Spain, Prisa Media has a Customer Service Centre where the communication channel with press subscribers is maintained and managed, and from which incidents are handled via chat, calls or e-mail. In 2021, 13,561 incidents were received, mostly related to the use/satisfaction with subscriptions. The Customer Service Centre resolves incidents directly or manages resolution with the end suppliers of the services or products. When necessary, we escalate incidents to other departments, as is the case with data protection requests, which are referred to [privacidad@prisa.com](mailto:privacidad@prisa.com). In addition, El País has a Reader's Ombudsman.

Santillana's activity in all countries is aimed at schools, bookshops, distributors and the end consumer. Each country has various channels of communication through which complaints are received. These are mainly logistical in nature. In 2021, 8,619 incidents were handled and managed.

#### **1.8.5.1 CYBERSECURITY AND PRIVACY OF INFORMATION (CONSUMERS, OWN STAFF AND SUPPLY CHAIN)**

For Prisa Group, protecting personal information remains one of the company's priorities. Personal data has become a valuable asset and security breaches can cause considerable damage. Hence one of the basic requirements for a digital society is adequate cybersecurity.

Following the publication of the General Data Protection Regulation (GDPR) in 2016, which entered into force in May 2018, the Group has reinforced and enhanced its personal data control and assurance processes and consumer rights in the potential use of such data.

Changes in European law also prompted the Group's companies in the Americas to review their procedures for complying with local data protection regulations.

To exercise their rights, users and persons whose personal data are processed by the Group's companies may submit their complaints or contact the Group's Data Protection Officer (DPO) at [dpo@prisa.com](mailto:dpo@prisa.com). They can also do so by writing to a specific postal address. In the case of Prisa Media's digital services, a specific e-mail address ([privacidad@prisa.com](mailto:privacidad@prisa.com)) is provided for to exercise rights.

In 2021, five complaints were received in the DPO's mailbox from the AEPD related to exercising data protection rights, all from the Prisa Media Business Unit. It should be noted that none of them resulted in a sanction or a warning.

Finally, in 2021, the actions aimed at increasing the protection of information security by enhancing the confidentiality, availability and integrity of data processing were maintained through the following actions:

- Privacy Impact Assessment of Critical Processing (PIA).
- Update of the consent management platform for the use of cookies on the Group's websites and mobile applications.
- Maintenance of the body of information security legislation in which the rights of consumers/users have been taken into account.
- Update of data protection and privacy policies.
- Maintenance of the approval process with the main service providers, in line with the commitment to monitoring and evaluating to protect our consumers/users.

#### **1.8.6. TAX INFORMATION**

Prisa Group is committed to the principles of responsibility, prudence and transparency in fulfilling its tax obligations and in its relations with the tax authorities.

In line with these commitments to sustainable development, responsibility and transparency, its tax strategy aims to comply with tax regulations in all the territories in which it operates and the guiding principles of good tax governance, collaborate with the tax administrations of the jurisdictions where we operate, contribute to minimising the tax risks that may arise from its activity and ensure



responsible tax behaviour with its stakeholders. This must all be done without detriment to the generation of shareholder value, avoiding tax risks and inefficiencies in the execution of business decisions and ensuring good corporate governance.

In this context, in accordance with the provisions of the Capital Companies Act, the maximum responsibility for determining the tax strategy in Prisa Group lies with its Board of Directors with the support of the Audit, Risk and Compliance Committee.

Thus, Prisa Group has a tax strategy that was approved by the Board of Directors in 2015, which sets out the organisation's values, the principles of the strategy, good tax practices and the guidelines for its implementation and communication. Reinforcing the fiscal strategy, the organisation has a Fiscal Policy and the Manual of functions of the model of prevention and detection of crimes.

The following table shows a breakdown of the consolidated profit before tax for 2021 included in the Consolidated Financial Statements, broken down country by country.

Country	Thousand of euros
Brazil	15,479
Chile	5,461
Colombia	5,135
Mexico	10,988
Guatemala	1,972
Dominican Republic	7,177
Ecuador	1,721
Bolivia	1,204
Peru	(1,137)
Portugal	84
Argentina	1,045
Spain	(135,228)
Other countries	4,533
<b>Total</b>	<b>(81,566)</b>

In addition, the amount of corporation taxes paid by these entities in 2021 amounts to EUR 13,219 thousand, broken down as follows:

Country	Thousand of euros
Brazil	2,285
Chile	2,617
Colombia	1,484
Mexico	1,858
Guatemala	891
Dominican Republic	415
Ecuador	0
Bolivia	425
Peru	329
Portugal	876
Argentina	758
Spain	(1,081)
Other countries	2,362
<b>Total</b>	<b>13,219</b>

In Spain, Prisa Group consolidated tax returns as permitted by the Spanish Corporation Tax Law. It is the Parent of tax group number 2/91, which includes all subsidiaries that meet the requirements established in the legislation governing the taxation of the consolidated profit of corporate groups.

GLR Services, Inc. also files consolidated tax returns in the United States together with its subsidiaries that meet the requirements for application of this special consolidated tax regime.

The other Group subsidiaries file individual tax returns, in accordance with the tax legislation prevailing in each country.

As detailed in the tax note to the Group's Consolidated Financial Statements, the reconciliation between the consolidated accounting profit and the consolidated tax at the general tax rate in force in Spain is shown in the following table, followed by a brief explanation of the main adjustments applied to determine the taxable basis of the various Prisa Group companies.

	Income statement	
	2021	2020
<b>Consolidated net profit under IFRS Taxation of continuing activities</b>	<b>(81,566)</b>	<b>(166,392)</b>
Rate of 25%	(20,391)	(41,598)
Consolidation adjustments	(1,881)	24
Temporary differences	2,375	1,900
Permanent differences (1)	18,711	14,665
Tax loss carryforwards	(69)	(921)
Tax credits and tax relief	(111)	(251)
Effect of non-activation of tax income (2)	17,010	39,563
Effect of applying different tax rates (3)	3,746	2,871
<b>Current corporation tax expense</b>	<b>19,390</b>	<b>16,253</b>
<b>Deferred tax expense on temporary differences</b>	<b>(2,665)</b>	<b>(2,352)</b>
<b>Pre-tax on profits</b>	<b>16,725</b>	<b>13,901</b>
Adjustment of prior years' tax (4)	(1,042)	63,975
Foreign tax expense (5)	3,456	2,400
Employee profit sharing (6)	1,096	795
Adjustments to consolidated tax	734	-
<b>Corporation tax TOTAL</b>	<b>20,969</b>	<b>81,071</b>

(\*) Brackets indicate income

(1) The permanent differences arise mainly from:

- The different accounting and tax criteria for recording expenditure derived from certain provisions and certain assets.
- Non-deductible expenses.
- The negative off-balance sheet adjustment for the merger tax difference, attributable to 2018, arising from the merger of Promotora de Informaciones, S.A. and Prisa Televisión, S.A.U. (merger by absorption described in Note 17 of the Notes to the Financial Statements of Promotora de Informaciones, S.A. for 2013), and applying the requirements of the then current article 89.3 of the Tax Law to give it tax effect.
- 5% taxation of dividends.
- A negative adjustment arising from the recovery for tax purposes of one-tenth of the amount adjusted in prior years as a result of the limitation on the deductibility of write down expense.
- The limitation on the deductibility of financial expenses provided for in Article 16 of the Spanish Corporate Company Tax Act.

(2) This relates to the effect of companies that have not recognised a deferred tax asset because they accrued losses in the year.

(3) This relates to the effect of taxation of profits from American subsidiaries at different rates.

(4) This refers to the effect on the income statement arising from the regularisation of Corporate Company Tax for previous years and the accounting record of the effect of the 2016-2018 Inspection.

(5) This relates to the expense for taxes paid abroad, which arose from withholdings at source on the income from exports of services provided by the Group's Spanish companies abroad and dividends.

(6) The P.T.U. is one more component of the Company Tax expense in some countries such as Mexico and Ecuador.

Finally, subsidies received in the Group represent 0.4% of total operating revenues.

## 1.9. TABLE OF CONTENTS (CORRELATION OF INDICATORS LAW 11/2018, GRI INDICATORS, PRINCIPLES OF THE GLOBAL COMPACT AND UNITED NATIONS SDGS

Content required under Law 11/2018 of December 28					
Information required under Law 11/2018	Materiality	Section in report or document providing a response	Connection to GRI indicators	Principles of the Global Compact	Sustainable Development Goals*
<b>General information</b>					
a) A brief description of the Group's business model, including its business environment, organization and structure, the markets in which it operates, objectives and strategies and the main factors and trends that could affect its future evolution.	Material	5.2. The Prisa Group and its Business Units	GRI 102-1 GRI 102-2 GRI 102-4 GRI 102-6	-	SDG 8, 16
b) A brief description of the policies applied by the Group in relation to these issues, including the due diligence procedures applied to identify, assess, prevent and mitigate risks and significant impacts and verification and control, including the measures adopted.	Material	Throughout the Statement of Non-Financial Information (that are specified in 5.3 Risk management, 5.5 Responsible environmental management, 5.7 Respect for human rights and the and the fight against corruption and bribery, 5.8 Information for society	Indicators contemplated in the Statement of Non-Financial Information in relation to economic, social and environmental aspects		
c) The results of these policies, including the key indicators of significant non-financial results that make it possible to monitor and assess progress and promote comparability between companies and sectors, pursuant to Spanish, European and international frameworks of reference used in each field.	Material	Throughout the Statement of Non-Financial Information (that are specified in 5.3 Risk management, 5.5 Responsible environmental management, 5.7 Respect for human rights and the and the fight against corruption and bribery, 5.8 Information for society	Indicators contemplated in the Statement of Non-Financial Information in relation to economic, social and environmental aspects		
d) The main risks related to these issues corresponding to the Group's activities, including, where applicable and proportionate, their commercial relations, products and services that may have negative impacts on these fields, and how the Group manages these risks, explaining the procedures used to detect them and assess them pursuant to Spanish, European and international frameworks of reference used in each field. Information must be included on the impacts detected, offering a breakdown of them, in particular the main risks in the short, medium and long term.	Material	5.3 Risk management	GRI 102-15		
Reporting framework used and the principle of materiality	Material	5.1. About this report 5.4. Materiality	GRI 102-43		

\* Linking the SDGs and the GRI Standards, Last updated March 2020, GRI.

Content required under Law 11/2018 of December 28					
Information required under Law 11/2018	Materiality	Section in report or document providing a response	Connection to GRI indicators	Principles of the Global Compact	Sustainable Development Goals*
<b>Environmental matters</b>					
Detailed information on the actual and foreseeable effects of the company's activities on the environment and, as applicable, health and safety, environmental certification or assessment procedures, the resources dedicated to environmental risk prevention, the use of the principle of precaution, the provisions and guarantees for environmental risks.	Immaterial	5.5 Responsible environmental management	GRI 102-11	Principle 7. Businesses should support a precautionary approach to environmental challenges.  Principle 8. Businesses should undertake initiatives to promote greater environmental responsibility.  Principle 9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	SDGs 3, 6, 7, 8, 11, 12, 13, 15
- <b>Pollution:</b> measures to prevent, reduce or repair carbon emissions that have a serious impact on the environment; taking into consideration any form of atmospheric pollution specific to an activity, including noise and light pollution.	Immaterial	5.5.4. Other aspects	GRI 305		
- <b>Circular economy, prevention and waste management:</b> prevention measures, recycling, reuse, other ways of recovering and eliminating waste.	Material	5.5.1. Waste management and economy circular	GRI 306-2		
Actions to combat food waste	Immaterial	5.5.4. Other aspects	Immaterial indicator		
- <b>Sustainable use of resources:</b> consumption of water and supply of water in line with local limits; consumption of raw material and measures adopted to improve their efficient use; direct and indirect consumption of energy, measures taken to improve energy efficiency and the use of renewable energy	Material	5.5.2. Responsible use of resources	GRI 302-1 GRI 302-4 GRI 303-1 GRI 303-5		
- <b>Climate change:</b> the important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of goods and services it produces; the measures adopted to adapt to the consequences of climate change; the medium and long-term reduction milestones defined voluntarily to reduce greenhouse gas emissions and the measures implemented to this end.	Material	5.5.3. Climate change	GRI 305-1 GRI 305-2 GRI 305-4		
- <b>Protection of biodiversity:</b> measures taken to preserve or restore biodiversity; impact caused by activities or operations in protected areas.	Immaterial	5.5.4. Other aspects	Immaterial indicator		

\* Linking the SDGs and the GRI Standards, Last updated March 2020, GRI

Content required under Law 11/2018 of December 28					
Information required under Law 11/2018	Materiality	Section in report or document providing a response	Connection to GRI indicators	Principles of the Global Compact	Sustainable Development Goals*
<b>Social factors and those in relation to staff</b>					
<p>- <b>Employment:</b> total number and distribution of employees by gender, age, country and professional category; total number and distribution of contract types, annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional category; number of dismissals by gender age and professional category; average remuneration and its evolution broken down by gender, age and professional category or equal value; salary gap, remuneration of the same or average positions in society, average director remuneration, including variable remuneration, subsistence benefits, allowances, payments to long-term savings benefit systems and any other payment, broken down by gender, implementation of policies for the disconnection from work, employees with disabilities.</p>	Material	5.6.1. Employment	GRI 102-8 GRI 102-35 GRI 405-1 GRI 405-2	Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	SDG 3, 4, 5, 8, 10
<p>- <b>Organization of work:</b> organization of work time; number of hours of absence; measures aimed at facilitating a work/life balance being achieved and promoting joint responsibility between parents.</p>	Material	5.6.2. Work organisation	GRI 401-2	Principle 4. Businesses should uphold the elimination of all forms of forced and compulsory labor.	
<p>- <b>Health and safety:</b> health and safety conditions in the workplace; occupational accidents, in particular their frequency and severity, in addition to professional illnesses; broken down by gender.</p>	Material	5.6.3. Health and safety	GRI 403-9 GRI 403-10	Principle 5. Businesses should uphold the effective abolition of child labor.	
<p>- <b>Social relations:</b> organization of the social dialog, including procedures for informing and consulting staff and negotiating with them; percentage of employees covered by collective bargaining agreements by country; balance of collective agreements, in particular in the field of occupational health and safety.</p>	Material	5.6.4. Social relations	GRI 102-41	Principle 6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	
<p>- <b>Training:</b> policies implemented in the field of training; total amount of hours training by professional categories.</p>	Material	5.6.5. Training	GRI 404-1 GRI 404-2		
<p>- <b>Equality:</b> measures adopted to promote equal treatment and opportunities between men and women; equality plans (Chapter III of Organic Law 3/2007, of March 22, for the effective equality of men and women), measures adopted to promote employment, protocols against sexual and gender-based harassment, the integration and universal accessibility of people with disabilities; policies against all forms of discrimination and, as applicable, the management of diversity.</p>	Material	5.6.6. Equality	GRI 405		

\* Linking the SDGs and the GRI Standards, Last updated March 2020, GRI

Content required under Law 11/2018 of December 28					
Information required under Law 11/2018	Materiality	Section in report or document providing a response	Connection to GRI indicators	Principles of the Global Compact	Sustainable Development Goals*
<b>Respect for human rights</b>					
Application of due diligence procedures in relation to human rights; prevention of risks of human rights being violated and, as applicable, measures to mitigate, manage and repair possible abuses committed; reports of cases of human rights being violated; promotion and compliance with the provisions of the main conventions of the International Labor Organization in relation to respect for the freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or compulsory labour; the effective abolition of child labor.	Material	5.7 Respect for human rights and the and the fight against corruption and bribery	GRI 102-16 GRI 102-17 GRI 406 GRI 407 GRI 408 GRI 409 GRI 412	Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights.  Principle 2. Businesses should make sure that they are not complicit in human rights abuses.	SDG 5, 8, 10, 16
<b>Fighting corruption and bribery</b>					
Measures adopted to prevent corruption and bribery; measures to combat money laundering, donations to non-profit organizations and foundations.	Material	5.7 Respect for human rights and the and the fight against corruption and bribery 5.8 Information for society	GRI 102-12 GRI 102-16 GRI 102-17 GRI 205-1 GRI 205-3	Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery.	SDG 8, 16
<b>Information for society</b>					
- <b>Corporate commitments to sustainable development:</b> the impact of the company's activities on local development and employment; the impact of the company's activity on local populations and in the area; relations with the stakeholders in local communities and the different forms of dialog with them; association or sponsorship actions.	Material	5.8 Information for society 5.8.1. Social Commitment 5.8.2. Dialogue and communication with stakeholders 5.8.3. Commitment to sustainable development	GRI 203-2 GRI 413-1	-	SDG 4, 5, 8, 10, 13, 16, 17
- <b>Outsourcing and suppliers:</b> the inclusion of social, gender equality and environmental issues in the procurement policy; consideration of environmental and social responsibility in relationships with suppliers and subcontractors; supervision and audit and results thereof	Material	5.8.4. Responsible supply chain management (subcontracting and suppliers)	GRI 102-9 GRI 204-1 GRI 308 GRI 414		SDG 5, 8, 12, 13, 16
- <b>Consumers:</b> measures for the health and safety of consumers; complaint systems, claims received and their resolution.	Material	5.8.5. Consumers, users, readers and listeners	GRI 418-1		SDG 9, 16
- <b>Tax information:</b> benefits obtained country by country; corporation tax paid and public subsidies received.	Material		GRI 201 GRI 207-4		SDG 1, 8, 9, 17

\* Linking the SDGs and the GRI Standards, Last updated March 2020, GRI



# **REPORT ON THE VERIFICATION OF INFORMATION INCLUDED IN THE NON-FINANCIAL INFORMATION STATEMENT ISSUED BY AN INDEPENDENT VERIFIER**

To GRUPO PRISA shareholders:

Pursuant to Law 11/2018 dated 28 December (hereinafter, "Law 11/2018"), we have proceeded to the verification of the information included in the non-financial information statement of GRUPO PRISA for the year ended 2021.

We believe that based on the procedures applied and the evidence obtained during the verification process that we have carried out, the subject of this report, we have not come to our knowledge any question that leads us to believe that the verified information has not been prepared in all its significant aspects in accordance with the requirements of Law 11/2018.

## **Methodology and Verifier team**

SGS' methodology for the verification of non-financial information consists of audit procedures and mechanisms to verify information and indicators, commonly accepted within the scope of the Conformity Assessment Bodies (as defined by Regulation (EC) no. 765/2008), such as the audit guidelines contained in standard ISO 19011, and particularly:

- Review of non-financial information in accordance with the requirements of Law 11/2018
- Interviews with staff responsible for obtaining and preparing data
- Review consisting of sampling of documents and records (both internal and public)
- Check consisting of checking the reliability and traceability of data
- Assessment of systems for the collection, management and handling of the information and indicators

The verification team was formed by qualified personnel of SGS International Certification Services Ibérica, S.A.U., who had a technical competence based on the experience of the different sectors of activity essential for the issuance report.

## **Independence**

We are an independent entity to GRUPO PRISA in accordance with the ethics requirements, including those related to independence that are applicable to our activities.

## **Other information from the Management Report**

In relation to the verification carried out, it is expressly stated that the regulatory obligation covers only the non-financial reporting statement for the 2021 financial year, with the rest of the content of the report being excluded from that process management.

The responsibility of the independent verifier is to issue this report once the content of the status of the non-financial information provided by the administrators of the Company subject to the verification process has been verified. If, based on the work done, we conclude that there are caveats, we are obliged to report them.





# **REPORT ON THE VERIFICATION OF INFORMATION INCLUDED IN THE NON-FINANCIAL INFORMATION STATEMENT ISSUED BY AN INDEPENDENT VERIFIER**

## **The administrators' responsibility in relation to non-financial information**

The administrators of the parent company are responsible for the formulation of the consolidated management report and the non-financial information detailed in accordance with paragraph 6 of Article 44 of the Code of Commerce, approved by Real Decreto dated 22 August 1885, amended by Law 11/2018, dated 28 December, amending the Code of Commerce.

## **The independent verifier's responsibility**

The objective of the mission entrusted to us has been limited to obtaining limited assurance that non-financial information is free from material inaccuracies and to issuing a verification report of the information included in the state of non-financial information containing our opinion.

Signed: Juan José Fontalba  
SGS International Certification Services Ibérica, S.A.U

**NOTE:** "This document has been originally drafted in Spanish, which will therefore prevail over the English language version in the event of any discrepancy."