



REPORT DRAFTED BY THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A. ON THE PROPOSED APPOINTMENT OF A DIRECTOR INCLUDED AS ITEM 1.2 ON THE AGENDA OF THE EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING CALLED FOR THE 7TH AND 8TH OF SEPTEMBER 2022 AT THE FIRST AND SECOND QUORUM CALL, RESPECTIVELY

1. Purpose of the report

This report has been drafted by the Board of Directors of Promotora de Informaciones, S.A. ("PRISA" or the "Company") pursuant to articles 518 and 529 *decies* of Royal Legislative Decree 1/2010 of 2 July, which approved the consolidated text of the Spanish Capital Companies Law (*Ley de Sociedades de Capital*) ("LSC"). Its aim is to justify the proposal to appoint Mr Andrés Varela Entrecanales as proprietary director of the Company, included under item 1.2 on the Agenda of the Company's Extraordinary General Shareholders' Meeting, which is due to be held on 7 September, 2022 at the first quorum call; or, if the necessary quorum is not achieved, in the same place and at the same time on 8 September, 2022 at the second quorum call (the "Extraordinary General Shareholders' Meeting"):

2. Background

- i. Global Alconaba, S.L. has been a PRISA shareholder since May, 2022. It owns 50,147,058 shares in the Company, presently representing 6.77% of PRISA share capital.
- ii. At Global Alconaba, S.L.'s proposal and as an off-agenda item, at the annual shareholders meeting held on 28 June 2022 it was resolved to remove Mr. Roberto Alcántara Rojas as proprietary director. As a result of Mr. Alcántara's removal, a vacancy was created on the Board of Directors.

When proposing the removal of Mr. Roberto Alcántara, Global Alconaba, S.L. underscored its legitimate desire to be represented on the Board of Directors, since other shareholders holding fewer shares than Global Alconaba have been represented on the board.

- iii. Global Alconaba, S.L. communicated to the chairman of PRISA's Board of Directors its proposal to appoint Mr. Andrés Varela Entrecanales as proprietary director, to represent Global Alconaba's interests and to fill the vacancy created after the removal of Mr. Alcántara.

Thus, upon Global Alconaba S.L.'s proposal and with a favorable report from the Appointments, Remuneration and Corporate Governance Committee ("CNRGC"), at the meeting of PRISA's Board of Directors held on 28 June 2022 immediately after the annual shareholders meeting, Mr. Andrés Varela Entrecanales was appointed as interim proprietary director of the company (representing the interests of Global Alconaba, S.L.) to fill the vacancy on the board created by the removal of Mr. Roberto Alcántara Rojas.

- iv. Mr. Andrés Varela Entrecanales' interim appointment has not been recorded on the Madrid Companies Register, since the registrar considers that this is a decision that should be approved at a shareholders meeting.
- v. In that regard, PRISA's Board of Directors plans to call an extraordinary shareholders meeting at which, pursuant to articles 211 and 529 *decies* of the LSC, it will propose the following:
 - o to establish 14 as the total number of members on the Board of Directors (in line with the resolution passed at the annual shareholders meeting held on 29 June 2021) and,
 - o to appoint Mr. Andrés Varela Entrecanales as proprietary director, representing the legitimate shareholding interests of Global Alconaba, S.L.

3. Internal procedure for the submission of proposed resolutions

The internal procedure to be followed by the Company's different bodies to draw up proposed resolutions for the appointment of Mr Andrés Varela Entrecanales as proprietary director, under the provisions of article 529 *decies* of the LSC, the Board of Directors Regulations and the "Policy for Diversity in the composition of the Board of Directors and the Selection of the Company's Directors" is summarised below.

The Board of Directors, together with the CNRGC has carried out an analysis of the needs and competencies required by the Board of Directors, based on the competency matrix of the members of the Board, and taking into account the current composition of the Board of directors. This assessment together with Global Alconaba S.L.'s proposal, justify proposing that Mr. Andrés Varela Entrecanales be appointed proprietary director of the company at the extraordinary shareholders meeting.

Thus, pursuant to article 529 *decies*.4 of the LSC, with a favorable report from the CNRGC, the Board of Directors hereby proposes (together with shareholder Global Alconaba, S.L.'s proposal) that Mr. Andrés Varela Entrecanales be appointed proprietary director of the company. The CNRGC's report justifying Mr. Varela's appointment appears below, as required for the appointment of directors not classified as independent.

Under article 529 *decies* 5 of the LSC, the proposals for appointment of directors must be accompanied by a supporting report from the Board of Directors assessing the proposed candidate's competency, experience and merits. This report has been drafted by PRISA's Board of Directors for this reason.

In accordance with article 20.4 of the Regulation of the Board of Directors, the reports for appointment of directors, whether issued by the Board or by the CNRGC, have evaluated the suitability of the profile of the candidate proposed to exercise the post of director, with particular attention to his competency, experience and merits, as well as his capacity to dedicate to the functions inherent to the post.

Both of these reports will be made available to shareholders when the notice of the extraordinary shareholders meeting is issued pursuant to articles 518 and 529 *decies* of the LSC.

4. Duration of the posts

The mandate of the director proposed for appointment shall be three years, as specified in the Bylaws.

Under article 222 of the LSC, the appointment of the proposed directors will expire when, after their term has expired, a general shareholders' meeting has been held or the deadline for holding the meeting which must determine on the approval of the previous year's accounts has passed.

5. Supporting report from the Board of Directors

5.1. Profile of Mr Andrés Varela Entrecanales

After completing his studies at the Colegio Estudio and the Faculty of Veterinary Medicine, in 1985 he commenced his career as a journalist and music radio broadcaster at "Radio El País".

In 1986 he moved to London where he worked at BBC Radio, Warner Music, and on Canal 10's launch for Spain. In 1990 he returned to Spain to join Canal Plus from the moment it commenced broadcasting, working in the channel's self-promotion advertising department.

As founding shareholder of GECA, from 1993 until 1997 he presided this consulting firm specializing in audience and programming tendency analysis.

In 1995 GECA merged with Globomedia, where he coordinated his management duties with the latter's Department of Entertainment Programs, producing over 20 programs for Spain and Latin America with the Promofilm company.

Subsequently, with the merger of Globomedia and Mediapro, he served as director in Grupo Imagina, and since its launch in 2006 as director of La Sexta.

In 2015 he left Grupo Imagina to found and chair The Pool TM, a company devoted to audiovisual production.

His family group have been PRISA shareholders since its founding, and for two years he served on SER's board of directors.

5.2. Assessment by the Board of Directors

The board of directors has evaluated the following aspects related to the director proposed for appointment:

i. Dedication:

It has been determined that the other professional occupations of Mr Varela allow him adequate effective dedication to the Board of Directors.

ii. Suitability and appropriateness of their knowledge, skills and experience to the professional profiles defined by the Board in the "Policy of Diversity in the Composition of the Board of Directors and Selection of the Company's Directors":

As reflected in Mr. Varela's professional career, he has significant experience in journalism and the communications media, as well as in the creation of audiovisual enterprises. Thus, Mr. Varela is deemed to be highly qualified for the specific business in which the company is engaged, and would certainly enhance the experience and skills that the Board requires in communications media matters.

iii. Diversity:

In accordance with the "Policy of Diversity in the Composition of the Board of Directors and Selection of the Company's Directors", the proposals for appointment of directors must be based on prior analysis of the needs of the Board of Directors; and at the same time, the principle of diversity in the composition of the Board of Directors must be applied in its broadest sense, favouring diversity of knowledge, experience, background, age and gender on the Board of Directors.

The Board of Directors and the CNRGC have aimed to ensure that the Company has the best professionals in their governing body. They have also assessed technical competencies and experience in the areas and industries that are relevant for the post; the principle of diversity covered by the "Policy of Diversity in the Composition of the Board of Directors and the Selection of the Company's Directors" and in the 2020 Code of Good Governance of Listed Companies approved by the CNMV; and the current legal framework and the United Nations Sustainable Development Goals ("SDGs").

An analysis of the professional background of Mr Varela demonstrates diversity in terms of profile and professional experience, with regard to the other board members.

iv. Compliance with the requirements according to the nature of the director in question:

Furthermore, the CNRGC and the Board have assessed compliance with the requirements under article 529 duodecies of the LSC and propose that Mr. Andrés Varela Entrecanales be appointed as proprietary director, since he will represent Global Alconaba, S.L. which, on the date of this report, holds a significant interest in the company's share capital.

6. Conclusion

In conclusion, the Board of Directors has determined that Mr. Varela is a professional with demonstrated qualifications and personal and professional reputation, who would contribute to the diversity of knowledge, experience and origin among board members, and that he likewise has the necessary abilities, experience, compatibility and availability to carry out the duties of a PRISA board member. Mr. Varela's profile likewise meets the requirements set forth in the "Board of Directors Diversity and Directors Selection Policy" and in PRISA's Board of Directors collective suitable skills matrix, complementing and enriching the board as a whole.

As a result, given the individual analysis carried out on the proposed appointment, the Board considers that the candidate's competencies are sufficiently accredited and that the contribution of diverse points of view to the discussion of the issues dealt with by the Board of Directors is guaranteed. Moreover, an analysis of the Company's needs on the matter of corporate governance

values positively the appropriateness of the proposal, which contributes to maintaining an appropriate balance in the composition of the Board, with two executive directors, six independent directors and six proprietary directors.

The information provided leads us to consider that Mr Andrés Varela Entrecanales has the appropriate competency, experience and merits to exercise the functions inherent to his post.

7. Proposed resolutions submitted for approval at the Extraordinary Shareholders' Meeting

In view of this report, the Board of Directors submits to the Extraordinary General Shareholders' Meeting the following proposed resolutions:

"Determining the number of Directors. Appointment of director:

1.1. Determining the number of Directors.

Pursuant to Article 16.1 of the bylaws, the number of members of the Board of Directors shall be set at fourteen (14).

1.2. Appointment of Mr Andrés Varela Entrecanales as a director, with the category of proprietary director.

At the proposal of the Board of Directors and following a favorable report from the Nominations, Compensation and Corporate Governance Commission, to appoint Mr. Andrés Varela Entrecanales as a director of the Company with the category of a proprietary director (in accordance with article 529 duodecies of the Spanish Companies Act) representing the shareholding interest of the shareholder Global Alconaba, S.L., for the bylaws term of three years effective from the date of this general shareholders' meeting."

In Madrid, on July 26, 2022

ANNEX 1

REPORT ISSUED BY THE APPOINTMENTS, REMUNERATIONS AND CORPORATE GOVERNANCE COMMITTEE OF PROMOTORA DE INFORMACIONES, S.A. ON THE PROPOSED APPOINTMENT OF MR ANDRES VARELA ENTRECANALES AS PROPRIETARY DIRECTOR, INCLUDED UNDER ITEM 1.2 OF THE AGENDA OF THE EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING CALLED FOR 7 AND 8 OF SEPTEMBER 2022 AT THE FIRST AND SECOND QUORUM CALL, RESPECTIVELY

1. Purpose of the report

The Appointments, Remunerations and Corporate Governance Committee of Promotora de Informaciones, S.A. ("**PRISA**" or the "**Company**"), pursuant to articles 28. 4. i) c) and 21.1.ii) of the Regulation of the Board of Directors, is issuing this report supporting the proposal to appoint Mr Andrés Varela Entrecanales as proprietary director, included under item 1.2 of the Agenda of the Extraordinary General Shareholders' Meeting called for 7 and 8 September 2022, at the first and second quorum call, respectively.

The appointment proposed by the Board of Directors is based on the following grounds:

- i. Global Alconaba, S.L. has been a PRISA shareholder since May, 2022. It owns 50,147,058 shares in the company, presently representing 6.77% of PRISA share capital.
- ii. At Global Alconaba, S.L.'s proposal and as an off-agenda item, at the annual shareholders meeting held on 28 June 2022 it was resolved to remove Mr. Roberto Alcántara Rojas as proprietary director. As a result of Mr. Alcantara's removal, a vacancy was created on the Board of Directors.

When proposing the removal of Mr. Roberto Alcántara, Global Alconaba, S.L. underscored its legitimate desire to be represented on the Board of Directors, since other shareholders holding fewer shares than Global Alconaba have been represented on the board.

- iii. Global Alconaba, S.L. notified the chairman of PRISA's Board of Directors its proposal to appoint Mr. Andrés Varela Entrecanales as proprietary director, to represent Global Alconaba's interests and to fill the vacancy created after the removal of Mr. Alcántara.

Thus, upon Global Alconaba S.L.'s proposal and with the approval of this CNRGC, at the meeting of PRISA's Board of Directors held on 28 June 2022 immediately after the annual shareholders meeting, Mr. Andrés Varela Entrecanales was appointed as interim proprietary director of the company (representing the interests of Global Alconaba, S.L.) to fill the vacancy on the board created by the removal of Mr. Roberto Alcántara Rojas as director.

- iv. Mr. Andrés Varela Entrecanales' interim appointment has not been recorded on the Madrid Companies Register, since the registrar considers this is a decision that should be approved at a shareholders meeting.

- v. In that regard, PRISA's Board of Directors plans to call an extraordinary shareholders meeting at which, pursuant to articles 211 and 529 decies of the LSC, it will propose the following:
- to establish 14 as the total number of members on the Board of Directors (in line with the resolution passed at the annual shareholders meeting held on 29 June 2021) and,
 - to appoint Mr. Andrés Varela Entrecanales as proprietary director, representing the legitimate shareholding interests of Global Alconaba, S.L.

Moreover, under the provisions of article 28. 4. i) d) of the Regulation of the Board of Directors, the Appointments, Remunerations and Corporate Governance Committee propose that Mr Andrés Varela Entrecanales should have the category of proprietary director, since he will represent Global Alconaba, S.L., which presently holds a significant interest in the company's share capital.

This report will be made available to the shareholders when the General Shareholders' Meeting is called, pursuant to article 518 of the Capital Companies Law.

2. Professional and personal background of Mr Andrés Varela Entrecanales

After completing his studies at the Colegio Estudio and the Faculty of Veterinary Medicine, in 1985 he commenced his career as a journalist and music radio broadcaster at "Radio El País".

In 1986 he moved to London where he worked at BBC Radio, Warner Music, and on Canal 10's launch for Spain. In 1990 he returned to Spain to join Canal Plus from the moment it commenced broadcasting, working in the channel's self-promotion advertising department.

As founding shareholder of GECA, from 1993 until 1997 he presided this consulting firm specializing in the audience and programming tendency analysis.

In 1995 GECA merged with Globomedia, where he coordinated his management duties with the latter's Department of Entertainment Programs, producing over 20 programs for Spain and Latin America with the Promofilm company.

Subsequently, with the merger of Globomedia and Mediapro, he served as director in Grupo Imagina, and since its launch in 2006 as director of La Sexta.

In 2015 he left Grupo Imagina to found and chair The Pool TM, a company devoted to audiovisual production.

His family group have been PRISA shareholders since its founding, and for two years he served on SER's board of directors.

In view of the proposed reelection of Mr Varela, the Appointments, Remunerations and Corporate Governance Committee has considered the following main aspects:

- (i) In view of the current Policy of Diversity in the Composition of the Board of Directors and Selection of the Company's Directors, the need for the Board of Directors to continue having

a broad representation of highly qualified professionals who, with their contributions, enrich the discussions and decision-making process, to ensure continuity with the project developed so far. As reflected in Mr. Varela's professional career, he has significant experience in journalism and the communications media, as well as in the creation of audiovisual enterprises. Thus, Mr. Varela is deemed to be highly qualified for the specific business in which the company is engaged, and would certainly enhance the experience and skills that the Board requires in communications media matters.

- (ii) Mr. Varela's knowledge of the Company and group, as a result of his past professional links and shareholdings;
- (iii) The integrity, conduct, good standing, solvency and competency of Mr Varela, as well as his qualifications, training, availability and commitment to perform his function as PRISA director;
- (iv) The absence in the case of Mr Varela of any of the conditions that could disqualify him from being re-elected as director; and
- (v) The favourable opinions received from the rest of the directors, and particularly the independent directors, in relation to the appointment of Mr Varela as Director of the Company.

Moreover, the CNRGC has assessed the Board of Directors' needs, based on the skills matrix of the board members and likewise taking into account the Board's present composition. This assessment together with Global Alconaba S.L.'s proposal, justify proposing that Mr. Andrés Varela Entrecanales be appointed proprietary director of the company at the extraordinary shareholders meeting.

3. Favourable report on the proposal

The Appointments, Remunerations and Corporate Governance Committee considers that Mr Andrés Varela Entrecanales is a professional of proven worth, whose track record and prestige accredit that he has the appropriate competencies, experience and merit to hold the post of director of the Company and that his appointment as director will prove to be a significant advantage for PRISA's Board of Directors. Thus, the Committee hereby issues this favorable report on the Board of Directors' proposal (likewise proposed by shareholder Global Alconaba, S.L.) to appoint Mr. Andrés Varela Entrecanales as proprietary director, which will be presented for consideration at the extraordinary shareholders meeting.