

**ANNUAL CORPORATE GOVERNANCE REPORT  
OF LISTED CORPORATIONS**

**IDENTIFYING DATA OF THE ISSUER**

**YEAR-END DATE IN QUESTION:** 31/12/2015

**Tax Identification Number:** A- 78839271

**COMPANY NAME:**

ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A.

**REGISTERED OFFICES:**

Avda. Isla Graciosa 13, San Sebastián de los Reyes, 28703 MADRID



Name or company name of director	Number of direct rights	Indirect rights		Number of equivalent shares	% of total voting rights
		Direct owner	Number of voting rights		
IMAGINA MEDIA AUDIOVISUAL, S.L.	3,684,070	MEDIAPRO CONTENIDOS, S.L.	4,479,224	8,160,294	3.62

A.4 Indicate, if appropriate, relationships of a family, commercial, contractual or corporate nature existing between the owners of significant holdings, to the extent they are known by the company, unless they are of little significance or arise from the ordinary course of business or trade:

Related name or company name	Type of relationship	Brief description
IMAGINA MEDIA AUDIOVISUAL, S.L.	Corporate	MEDIAPRO CONTENIDOS, S.L.U., a wholly-owned subsidiary of MEDIAPRODUCCION, S.L.U., which, in turn, is the sole-shareholder of IMAGINA.
MEDIAPRO CONTENIDOS, S.L.		

A.5 Indicate, if appropriate, relationships of a commercial, contractual or corporate nature existing between the owners of significant holdings, and the Company and/or its Group, unless they are of little significance or arise from the ordinary course of business or trade:

Related name or company name	Type of relationship	Brief description

A.6 Indicate whether side agreements concerning the company have been notified to it under articles 530 and 531 of the Spanish Companies Law ("*Ley de Sociedades de Capital*"). Where applicable, briefly describe them and list the shareholders bound by such agreement:

Yes  No

Parties to the side agreement:
PLANETA CORPORACION, S.R.L.
DE AGOSTINI COMMUNICATION, S.A.

% of share capital involved

41.70

Brief description of the agreement

On 25 May 2005, Grupo Planeta de Agostini, S.L. (formerly Kort Geding, S.L.) informed of the Group's restructuring agreement, whereby: (i) the agreements signed in May 2003 with RTL (now UFA Film) were ratified; (ii) the parties stated their intention not to individually alter the representation of Atresmedia's Board of Directors by acquiring further shareholdings and (iii) certain rules were established to adopt resolutions (appointment proposals, non-competition agreements, measures to be taken in the event of disagreements between the parties, etc.).

On 20 December 2005, De Agostini Communications, S.A. stated that De Agostini Invest, S.A. had been spun off and dissolved and that, as a result, the shares of Grupo Planeta de Agostini, S.L. had been allocated to De Agostini Communication, S.A.

Parties to the side agreement:
UFA FILM UND FERNSEH, GMBH SOLE-SHAREHOLDER COMPANY
GRUPO PLANETA DE AGOSTINI, S.L.

% of share capital involved

60.34

Brief description of the agreement:

Following the admission to listing of Atresmedia shares, on 29 October 2003, Grupo Planeta de Agostini, S.L (then Kort Geding, S.L.) informed of the arrangements with RTL Group Communications, S.R.L. (now UFA FILMS) and RTL Group, S.A., whereby agreements were reached on: (i) the shareholder stability of Atresmedia; (ii) the granting of reciprocal rights to acquire holdings; (iii) control or non-control commitments by a third-party of the Company; (iv) executive loyalty building and variable remuneration management and programmes. On 27 June 2007, the respective parties signed a supplement that (i) granted their agreements an indefinite duration, with the possibility of cancellation by any of the signatories from 30 June 2009 onwards, and (ii) ratified the content thereof, except for clauses that had become invalid due to the time elapsed or because the circumstances which prompted their inclusion had changed.

Indicate whether the company knows of the existence of concerted actions amongst its shareholders. If so, describe them briefly:

Yes

No

Participants in concerted action	% of share capital involved	Brief description of the agreement

If, during the year, there have been any amendments to or rupture of such pacts, agreements or concerted actions, please expressly indicate them:

A.7 Indicate whether any individual or legal entity exercises or may exercise control over the company pursuant to article 4 of the Securities Market Law. If so, identify them:

Yes

No

Name or company name

Observations

A.8 Fill in the following tables regarding the Company's treasury shares:

At year-end:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
789,738	0	0.35

(\*) Through:

Name or company name of direct shareholder	Number of direct shares
-	0
Total	0

Explain any significant changes during the year, pursuant to Royal Decree 1362/2007:

On 19 November 2015, the Company voluntarily updated voting rights on the own shares held by it (789,738 shares), representing 0.35% of voting rights.

**A.9 Detail the conditions and duration of the current mandate of the Shareholders' Meeting to the Board of Directors to issue, re-purchase or transfer treasury shares.**

The resolution in force in this area was that adopted by the 2015 Ordinary General Shareholders' Meeting, applicable until 2020, whose content is as follows:

"Authorisation for the company to acquire treasury shares.

To authorise the company, either directly or through any of its subsidiaries, to acquire shares of Atresmedia Corporación de Medios de Comunicación, S.A. by any means allowed by Law, even with a charge to yearly profits and/or unrestricted reserves, or to subsequently dispose of such shares, in accordance with articles 146, 509 and related articles of the Spanish Companies Law (hereinafter, LSC), granting the Board of Directors the powers necessary to execute the agreements reached by the Shareholders' Meeting in this regard.

The system for acquiring these own shares will be as follows:

- The par value of the acquired shares, which will be added to those already owned by Atresmedia Corporación de Medios de Comunicación, S.A. and its subsidiaries, should not exceed the legal limit allowed by Law at any given time.
- The acquisition, including the shares that the Company or person acting in its own name but for the account of the Company, may have previously acquired and held in a portfolio, should not cause the Company's equity to be less than its share capital plus the restricted legal and by-law reserves. For this purpose, equity is considered to be the amount deemed as such in accordance with the criteria used to prepare the annual accounts, minus the profits allocated directly to said equity, plus the amount of uncalled share capital, and the par value and the share premium of the subscribed share capital that is being recorded as a liability for accounting purposes.
- The shares acquired must be paid in full.
- The acquisition price will neither be less than the par value nor exceed the listed price by twenty per cent (20%), and the acquisition transactions must abide by the regulations and customs of the stock markets.

It is expressly authorised that the shares acquired by the Company or its subsidiaries by virtue of such authorisation may be allocated, wholly or partially, for their delivery to beneficiaries of future remuneration schemes, or that they are the consequence of the exercise of share options in favour of Company workers, employees or directors. The aim of this authorisation is expressly stated for the purposes set out in article 146.1, section a), of the Spanish Companies Law.

The Board of Directors is empowered, in the broadest sense, to use the authorisation forming the subject of this resolution, and to fully execute and enact it. It may delegate such powers to the Executive Committee, the Chief Executive Officer or any other person expressly empowered by the Board in this respect to the extent considered appropriate. The Internal Rules of Conduct in Security Market Matters must apply when required.

This authorisation will last five years from the date of this General Meeting, and the unexecuted authorisation granted to the Board of Directors by the Shareholders' General Meeting held on 24 March 2010, will have no effect."

**A.9 bis Estimated floating capital:**

	%
Estimated floating capital	35.15

**A.10 Indicate whether there are any restrictions on the transferability of securities and/or any restrictions on voting rights. In particular, the existence of any type of restrictions that may hinder the taking of control of the Company through the acquisition of its shares on the market will be notified.**

Yes  No

**Description of the restrictions**

In the current Articles of Association there are no restrictions of this kind. However, article 36 of the General Audiovisual Communication Law 7/2010 of 31 March) establishes certain restrictions on

the participation of more than one audiovisual communication service provider, aimed at guaranteeing pluralism in the Audiovisual Television Market.

- A.11 Indicate whether the Shareholders' Meeting has resolved to adopt neutralisation measures with regard to a takeover bid under Law 6/2007.

Yes  No

If so, explain the measures approved and the terms under which the restrictions would become inefficient:

- A.12 Indicate whether the Company has issued securities that are not traded on regulated EU markets.

Yes  No

Where appropriate, indicate the different classes of shares and, for each class of shares, the rights and obligations granted.

## **B** SHAREHOLDERS' MEETING

- B.1 Indicate and, where applicable, give details as to whether there are any differences with respect to the minimum standards established under the Spanish Companies Law with respect to the constitution quorum of the General Shareholders' Meeting.

Yes  No

- B.2 Indicate and, where applicable, give details on any differences with respect to the system established under the Spanish Companies Law regarding the adoption of corporate resolutions:

Yes  No

- B.3 Indicate the regulations governing changes in the Company's Articles of Association. In particular, the majorities envisaged to amend the Articles of Association and, where appropriate, the regulations foreseen to protect the rights of shareholders in the amendment of such Articles of Association will be notified.

Changing the Company's Articles of Association is the exclusive competency of the General Shareholders' Meeting (article 19 of the Articles of Association), governed by the Spanish Companies Law, with no specialisation.

The following requirements are established by Law:

- That the directors, or, when appropriate, the shareholders who drafted the proposal, prepare a written report justifying such proposal.
- That the scope of the changes that must be made are clearly explained at the General Shareholders' Meeting.
- That in the announcement of the General Meeting, all shareholders are notified of their right to examine the entire wording of the proposed change at the Company's registered offices, as well as the report on such change, and to request the handing over or free delivery of said documents.
- That the resolution be adopted at the General Shareholders' Meeting, in accordance with articles 194 and 201 of the Spanish Companies Law.

In all cases, the resolution will be recorded in a public deed that will be filed in the Mercantile Register, and it will be published, once filed, in the Official Bulletin of the Mercantile Register.

- B.4 Provide attendance data on the Shareholders' Meetings held during the year to which this report refers, and that of the preceding year's meetings:

Date of GSM	Attendance data				Total
	% shareholders present	% attending by proxy	% voting remotely		
			E-voting	Others	
22/04/2015	21.69	56.53	0.00	2.31	80.53

B.5 Indicate whether any restrictions exist in the Articles of Association establishing a minimum number of shares required to be able to attend the Shareholders' Meeting:

Yes  No

Number of shares required to attend the Shareholders' Meeting	400
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B.6 Section revoked.

B.7 Indicate the address and means of access to the Company's web page, to information on corporate governance and other disclosures on the Shareholders' Meetings that must be made available to shareholders on the Company's web page.

[www.atresmediacorporacion.com](http://www.atresmediacorporacion.com)

The web page may be accessed directly through the url [www.atresmediacorporación.com](http://www.atresmediacorporación.com), or indirectly through the television contents web pages [www.antena3.com](http://www.antena3.com) and [www.lasexta.com](http://www.lasexta.com) or through the [www.atresmedia.comportal](http://www.atresmedia.comportal).

## **C** COMPANY MANAGEMENT STRUCTURE

### C.1 Board of Directors

C.1.1 Detail the maximum and minimum number of directors stipulated in the Articles of Association:

Maximum number of directors	15
Minimum number of directors	5

C.1.2 Fill in the following table on the Board members:

Name or company name of director	Representative	Director category	Position held on the Board	Date of first appointment	Date of last appointment	Election procedure
Mr. José Creuheras Margenat		Significant-shareholder appointed	Chairman	16/06/2003	22/04/2015	General Shareholders' Meeting
Mr. Maurizio Carlotti		Executive	Deputy Chairman	16/06/2003	22/04/2015	General Shareholders' Meeting
Mr. Silvio González Moreno		Executive	CEO	25/04/2007	24/04/2013	General Shareholders' Meeting
Imagina Media Audiovisual, S.L.	Mr. Josep M. Benet Ferrán	Significant-shareholder appointed	Director	25/04/2012	-	General Shareholders' Meeting
Mr. Mauricio Casals Aldama		Significant-shareholder appointed	Director	25/03/2009	22/04/2015	General Shareholders' Meeting

Ms. Aurora Catá Sala		Independent	Director	25/03/2009	22/04/2015	General Shareholders' Meeting
Mr. Marco Drago		Significant-shareholder appointed	Director	16/06/2003	22/04/2015	General Shareholders' Meeting
Ms. María Entrecanales Franco		Independent	Director	25/03/2009	22/04/2015	General Shareholders' Meeting
Ms. Patricia Estany Puig		Independent	Director	22/04/2015	-	General Shareholders' Meeting
Mr. Elmar Heggen		Significant-shareholder appointed	Director	21/12/2005	25/04/2012	General Shareholders' Meeting
Mr. José Manuel Lara García		Significant-shareholder appointed	Director	25/02/2015	-	Co-optation
Mr. Nicolas de Tavernost		Significant-shareholder appointed	Director	29/10/2003	22/04/2015	General Shareholders' Meeting
Total number of directors						12

Indicate the resignations/dismissals from the Board of Directors during the period subject to reporting:

Name or company name of director	Post of the director at the date of resignation/dismissal	Resignation/dismissal date
Mr. José Manuel Lara Bosch	Significant-shareholder appointed	31/01/2015
Gamp Audiovisual, S.A.	Significant-shareholder appointed	16/02/2015
Mediproducción, S.L.U.	Significant-shareholder appointed	24/09/2015

C.1.3 Fill in the following tables on the Board members and their different positions:

#### EXECUTIVE DIRECTORS

Name or company name of the director	Position in the Company's organisation chart
Mr. Maurizio Carlotti	Deputy Chairman
Mr. Silvio González Moreno	CEO
Total number of executive directors	2
% of total Board members	16.66

#### SIGNIFICANT-SHAREHOLDER APPOINTED NON-EXECUTIVE DIRECTORS

Name or company name of the director	Name or company name of significant shareholder represented by him/her or which has proposed his/her appointment
Mr. José Creuheras Margenat	GRUPO PLANETA DE AGOSTINI, S.L.
Imagina Media Audiovisual, S.L.	IMAGINA MEDIA AUDIOVISUAL, S.L.
Mr. Mauricio Casals Aldama	GRUPO PLANETA DE AGOSTINI, S.L.
Mr. Marco Drago	GRUPO PLANETA DE AGOSTINI, S.L.
Mr. Elmar Heggen	UFA FILM UND FERNSEH GMBH



D. José Manuel Lara García	GRUPO PLANETA DE AGOSTINI, S.L.
Mr. Nicolas de Tavernost	UFA FILM UND FERNSEH GMBH
Total number of significant-shareholder appointed non-executive directors	7
% of total Board members	58.33

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Name or company name of director
Ms. Aurora Catá Sala
Profile
<p>Aurora Catá is an industrial engineer and has obtained an MBA from IESE. She became a partner at Seeliger y Conde in 2008, as head of internships within the Technology, Media and Telecommunications (TMT) Division and the Pharmaceutical sector.</p> <p>She began her professional career in the financial sector, first at Bank of America and, subsequently, as Financial Director at Nissan Motor Ibérica until 1996, when she assumed the General Management of RTVE in Catalonia. Following this stage, she occupied the post of Chief Executive Officer of Planeta 2010, and was the Director General of Recoletos Grupo de Comunicación from 2003 until the acquisition of Recoletos by RCS, at which time she assumed the General Management of Unidad Editorial Sociedad de Revistas and the Development Area of the RCS Group in Latam.</p> <p>She is currently an independent director of Atresmedia Corporación and Banc Sabadell.</p>

Name or company name of director
Ms. María Entrecanales Franco
Profile
<p>Co-founder and Honorary Chairwoman of the Balia Foundation for Infancy, which was awarded the IMPULSA prize in 2011, granted by the Girona Prince Foundation, and the UNICEF Spain 2010 prize for its volunteer network. María has a Law degree from the Complutense University, a Master's Degree in International Law from the London School of Economics (with Honours) and a Master's Degree in the functional management of NGOs from ESADE obtained in 2000. She currently combines her work at the Balia Foundation with business initiatives (she is the co-founder and image head of the Lateral restaurant chain). Since March 2009, she has sat on the Board of Directors of Atresmedia Corporación. She is also a member of the Advisory Boards of the Barcelona Contemporary Art Museum and the ARCO Foundation, and sits on the Board of Trustees of Universidad Antonio de Nebrija. In 2011, she received the national prize for Top Female Senior Executive in the Solidarity and Humanitarian Actions category.</p>

Name or company name of director
Ms. Patricia Estany Puig
Profile
<p>She is Managing Director at J.P. Morgan International Ltd, which she joined in Spain in 2010 to boost the Private Banking business, after having worked at J.P. Morgan in London within the Capital Markets Division (1993-1996).</p> <p>She has more than 20 years' international experience in the financial sector, having occupied posts of responsibility in various companies such as Lombard Odier (2008-2010), Consulnor Catalunya (2005-2008) and Credit Lyonnais in New York and in London (1988-1993).</p> <p>She began her professional career at Andersen Consulting, in the Paris office, in 1985. Between 1997 and 2004, she led the internationalisation and restructuring of various family companies to which she was linked.</p> <p>In the economic and social area, she sits on the Management Board of Foment del Treball and on the Board of Trustees of the ESADE Foundation, where she is also a member of the Audit Committee and of the Institutional Committee. Between 2003-2007 and 2000-2007, she was also Deputy Chairman and member of the</p>

Management Board of ESADE Alumni.
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Total number of significant-shareholder appointed non-executive directors	3
% of total Board members	25

Indicate whether any independent director receives from the Company, or from its Group, any amount or benefit other than directors' remuneration, or any director who maintains or has maintained, during the last year, a business relationship with the Company or with any Group company, be it in his/her own name or as a significant shareholder, director or senior executive of an entity that maintains or that has maintained such relationship.

Where appropriate, a legitimate statement from the Board will be included detailing the motives for which it is considered that this director may perform his/her functions as independent director.

Name or company name of director	Description of relationship	Legitimate statement
Ms. Aurora Catá Sala	Provision of services to the Company by the firm Seeliger & Conde at which she is a serving partner.	Under article 8.4 of Order ECC/461/2013, the aforementioned provision of services does not affect her capacity as independent director, taking into account the objective irrelevance of the consideration received in relation to the firm's turnover.

#### OTHER NON-EXECUTIVE DIRECTORS

Identify the other non-executive directors and list the reasons why they cannot be considered to be significant-shareholder appointed or independent directors and detail their relationships with the company, its executives or shareholders:

Name or company name of director	Motives	Committee informing on or proposing his/her appointment
-	-	-

Total number of other non-executive directors	-
% of total directors	-

Indicate the changes, if any, which may have occurred during the period in the type of directorship of each director:

Name or company name of director	Date of the change	Former directorship	Current directorship

C.1.4 Fill in the following table with the information relating to the number of directors in the last four years, and the type of such directors:

	Number of directors				% of total Board members of each type			
	2015	2014	2013	2012	2015	2014	2013	2012
Executive	0	0	0	0	0	0	0	0
Significant-shareholder appointed	0	0	0	0	0	0	0	0
Independent	3	2	2	2	100	66.6	66.6	66.6
Other non-executive	-	-	-	-	-	-	-	-
Total	3	2	2	2	25	15.38	15.38	15.38

- C.1.5 Explain the measures that, where appropriate, were adopted to endeavour to include a number of women on the Board of Directors, thereby enabling a balanced presence of men and women.

**Explanation of the measures**

The medium-term objective of the Appointments and Remuneration Committee is to progressively rectify the lesser female presence on the Board, in line with the directors' selection policy, approved by the Board of Directors in 2015.

In keeping with this Policy, the Committee decided that in the future the breakdown of the Board will be adjusted to that established in this regard by the Code of Best Practice for listed corporations, that is, that in 2020 the number of female directors amounts to at least 30% of total Board members. At the approval date of this report, the number of female directors already represented 25% of total Board members in its current structure.

- C.1.6 Explain the measures that, where appropriate, were adopted by the Appointments Committee in order that the selection procedures do not suffer from implicit bias hindering the selection of female directors, and that the Company deliberately seeks to include women that meet the sought-after professional profile amongst its potential candidates:

**Explanation of the measures**

The Appointments and Remuneration Committee guarantees that Atremedia's selection procedures do not suffer from implicit bias that may give rise to any type of discrimination and, in particular, that they do not hinder the selection of female directors. This Committee informs the Board of Directors of the gender diversity matters that may arise during the selection processes of new directors, which have never been considered to date.

When, despite the measures adopted, where appropriate, the number of female directors is scant or nil, explain the reasons justifying such decision:

n/a

- C.1.6.bis Explain the conclusions of the Appointments Committee on the verification of compliance with the directors' selection policy. And in particular, how this policy is promoting the objective that in 2020 the number of female directors represents at least 30% of total Board members.

The Appointments and Remuneration Committee verified compliance with this policy in 2015. The Company has adapted to the principles and procedures described therein in the processes performed to include two new directors (Ms. Patricia Estany Puig and Mr. José Manuel Lara García), both appointed in 2015, both with respect to the selection process of the independent female director and to the preparation of the explanatory report and the appointments proposal for the two directors by the Appointments and Remuneration Committee. Likewise, the respective biographical and professional profiles of such directors were published on the Company's web page.

The Appointments and Remuneration Committee also assessed the competences and knowledge of all people proposed as directors in 2015 (in terms of ratification, re-election or appointment), as well as the functions and aptitudes required of the candidates, without favouring any discrimination that does not specifically compensate an imbalance in the number of female directors at Atresmedia.

**C.1.7 Explain the form of representation on the Board of the shareholders with significant shareholdings.**

The significant shareholders are represented on the Board of Directors by significant-shareholder appointed directors who have been proposed thereby to the General Shareholders' Meeting and whose appointment was informed upon favourably by the Appointments and Remuneration Committee and approved by the Board of Directors itself.

**C.1.8 Explain, where applicable, the reasons why significant-shareholder appointed directors have been appointed at the behest of the shareholders whose holding is less than 3% of the capital:**

Indicate whether formal petitions for presence on the Board have been ignored from shareholders whose holding is equal to or higher than that of others at whose behest significant-shareholder appointed directors were nominated. Where applicable, explain why these petitions have been ignored:

Yes  No

**C.1.9 Indicate if any director has stood down before the end of his/her term in office, if the director has explained his/her reasons to the Board and through which channels, and if the director sent a letter of explanation to the entire Board, explain below at least the reasons that he/she gave:**

Name of the director	Reason for the resignation
GAMP AUDIOVISUAL, S.A.	Changes in the shareholder structure of the Imagina Group. Replaced as director by Mediaproducción, S.L.U. on 25/02/2015.
MEDIAPRODUCCION, S.L.U.	Changes in the shareholder structure of the Imagina Group and reduction of its equity interest in Atresmedia. Mediaproducción, S.L.U. resigned on 24/09/2015 and Mr. Josep M <sup>º</sup> Benet Ferrán became the representative of the director Imagina Media Audiovisual, S.L., substituting Mr. José Miguel Contreras Tejera.  As a result of such resignation, a vacancy arose on the Company's Board of Directors that has not been filled by co-optation.

**C.1.10 Indicate the powers, if any, delegated to the Chief Executive Officer(s):**

Name or company name of the director	Brief description
Mr. Silvio González Moreno	All the powers of the Board of Directors, except those that may not be delegated under legal or by-law regulations.

**C.1.11 Identify, where appropriate, the members of the Board that assume director or executive posts in other companies forming part of the listed Company's Group:**

Name or company name of director	Company name of the Group entity	Position	Does he/she have executive functions?
Mr. Silvio González Moreno	ANTENA 3 EVENTOS, S.L.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A.) hereinafter, ATRESMEDIA CORPORACIÓN) until 30.12.15	Yes
Mr. Silvio González Moreno	ATRESMEDIA CINE, S.L.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	ANTENA 3 JUEGOS, S.A.U	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN) until 12.11.15	Yes
Mr. Silvio González Moreno	ANTENA 3 MULTIMEDIA, S.L.U..	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	ANTENA 3 NOTICIAS, S.L.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	ATRES ADVERTISING, S.L.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	ATRESMEDIA FOTO, S.L.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	CORDINA PLANET, S.L.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	GUADIANA PRODUCCIONES, S.A.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	MÚSICA APARTE, S.A.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	ATRESMEDIA MÚSICA, S.L.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN) from 21.05.15	Yes
Mr. Silvio González Moreno	FLOOXPLAY, S.L.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN) from 24.09.15	Yes
Mr. Silvio González Moreno	UNIPREX, S.A.U.	Representative of the Sole Director (ATRESMEDIA CORPORACIÓN)	Yes
Mr. Silvio González Moreno	ANTENA 3 TELEVISION DIGITAL TERRESTRE DE CANARIAS, S.A.U.	Representative of the Sole Director (UNIPREX, S.A.U., hereinafter UNIPREX)	Yes

Mr. Silvio González Moreno	UNIPREX TELEVISION, S.L.U.	Representative of the Sole Director (UNIPREX)	Yes
Mr. Silvio González Moreno	UNIPREX VALENCIA TV, S.L.U.	Representative of the Sole Director (UNIPREX)	Yes
Mr. Silvio González Moreno	UNIPREX TELEVISIÓN DIGITAL TERRESTRE DE ANDALUCÍA, S.L.	Representative of the Sole Director (UNIPREX, S.A.U.)	Yes

C.1.12 Detail, where appropriate, the directors of your Company who are members of the Board of Directors of other companies listed on official securities markets in Spain other than your Group, which have been notified to the Company:

Name or company name of the director	Company name of the listed corporation	Position
Ms. Aurora Catá Sala	BANCO DE SABADELL, S.A.	Director
Mr. Marco Drago	DEA CAPITAL SPA	Director
Mr. Marco Drago	IGT, Plc	Director
Mr. Elmar Heggen	RTL GROUP, S.A.	Director
Mr. Elmar Heggen	REGUS, Plc.	Director
Mr. José Manuel Lara García	BANCO DE SABADELL, S.A.	Director
Mr. Nicolas de Tavernost	MÉTROPOLE TÉLÉVISION, S.A. (M6)	Chairman
Mr. Nicolas de Tavernost	NATIXIS, S.A.	Director
Mr. Nicolas de Tavernost	GL EVENT, S.A.	Director

C.1.13 Indicate and, where appropriate, explain whether the Board of Directors' regulations have established rules regarding the maximum number of boards on which the Company's directors can sit:

Yes  No

Explanation of the rules

C.1.14 Section revoked.

C.1.15 Indicate the global remuneration of the Board of Directors:

Remuneration of the Board of Directors (thousands of euros)	5,051
Amount of global remuneration corresponding to the rights accumulated by the directors with respect to pensions (thousands of euros)	0
Global remuneration of the Board of Directors (thousands of euros)	5,051

C.1.16 Identify the members of senior management that are not in turn executive directors, and indicate the total remuneration accrued to them during the year:

Name or company name	Position(s)
Mr. Francisco Javier Bardají Hernando	Director General of Atresmedia Televisión
Mr. Fernando Costi Pérez	Director of Auditing and Process Control

Mr. Manuel de la Viuda Fernández de Heredia	Legal Advisory Services Director
Ms. Gloria Fernández Lomana	Director General of Antena 3 Noticias
Mr. José Manuel González Pacheco	Director General of Atresmedia Digital
Mr. Arturo Larraínzar Garijo	Strategy Director
Mr. Mikel Lejarza Ortiz	Director General of Atresmedia Cine
Mr. Antonio Manso Marcos	Financial Director
Mr. Javier Nuche Sanz	Director General of Atresmedia Diversificación
Mr. Eduardo Olano Codesido	Director General of Atresmedia Publicidad
Ms. Patricia Pérez González	Corporate Director General
Ms. Carmen Rodríguez Martín	Director of Regulatory Matters and Institutional Relations

Total remuneration of senior management (in thousands of euros)	5,485
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C.1.17 Indicate, where applicable, the identity of Board members who also sit on the Board of Directors of companies that hold significant shareholdings and/or in their Group companies:

Name or company name of the director	Company name of significant shareholder	Position
Mr. José Creuheras Margenat	PLANETA CORPORACIÓN, S.R.L.	Chairman
Mr. José Creuheras Margenat	GRUPO PLANETA DE AGOSTINI, S.L.	Director
Mr. Marco Drago	GRUPO PLANETA DE AGOSTINI, S.L.	Deputy Chairman
Mr. José Manuel Lara García	PLANETA CORPORACIÓN, S.R.L.	CEO
Mr. José Manuel Lara García	GRUPO PLANETA DE AGOSTINI, S.L.	Director
Mr. Elmar Heggen	RTL GROUP, S.A.	Director
Mr. Nicolas de Tavernost	MÉTROPOLE TÉLÉVISION, S.A. (M6)	Chairman of the Board of Directors

Detail, where appropriate, the relevant affiliations other than those considered in the above heading, which link Board members to significant shareholders and/or companies in their Group:

Name or company name of related director	Name or company name of the related significant shareholder	Description of the relationship
Mr. Elmar Heggen	UFA FILM UND FERNSEH, GMBH SOLE-SHAREHOLDER COMPANY	Director General
Mr. Elmar Heggen	MÉTROPOLE TÉLÉVISION, S.A.	Member of the Supervisory Board and of the Audit Committee
Mr. Nicolas de Tavernost	BEERSTELMANN, A.G.	Member of the Management Committee
Mr. Nicolas de Tavernost	RTL GROUP, S.A.	Member of the Operations Management Committee

<p>IMAGINA MEDIA AUDIOVISUAL, S.L.</p>	<p>IMAGINA MEDIA AUDIOVISUAL, S.L.</p>	<p>Mr. Josep M<sup>º</sup> Benet Ferrán, representative of IMAGINA MEDIA AUDIOVISUAL, S.L. on the Company's Board of Directors is also Chairman of the Board of Directors of IMAGINA MEDIA AUDIOVISUAL, S.L.</p>
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C.1.18 Indicate whether during the year there has been any change in the Board Regulations:

Yes

No

#### Description of changes

On 18 March 2015, the Board of Directors approved a modification to its Regulations, pursuant to article 5 of the Board of Directors' Regulations and subject to a report by the Appointments and Remuneration Committee. The new wording was notified to the shareholders at the Ordinary General Shareholders' Meeting held on 22 April 2015. It was also notified to the Spanish National Securities Market Commission (CNMV) and is filed in the Madrid Mercantile Register. Its wording is also permanently available on the Company's corporate web page and on the CNMV web page.

The Board of Directors' Regulations were amended in order to (i) adapt them to the Spanish Companies Law following the entry into force of Law 31/2014, (ii) comply with the Code of Best Practice for listed corporations, published by the Spanish National Securities Market Commission in February 2015 and (iii) include technical and wording improvements.

C.1.19 Indicate procedures for the selection, appointment, re-election, evaluation and removal of directors. List the competent bodies, the procedures to be followed and the criteria to be employed in each procedure.

Selection (article 12 of the Board of Directors' Regulations):

The people proposed to hold the office of director will have to meet the requisites set out by the legal provisions in force and the Articles of Association, as well as enjoy recognized solvency, competence and professional prestige and possess the appropriate knowledge and experience to hold such office.

They do not have to have shareholder status. Any persons affected by any prohibitions or by the incompatibilities established by the applicable legislation and these Regulations will not be able to hold the office of directors of the Company.

Appointment (article 12 of the Regulations)

The members of the Board of Directors will be appointed by the General Shareholders' Meeting, in accordance with the Spanish Companies Law and the Articles of Association.

In the case of vacancies, the Board may appoint, through the system of co-optation, those persons who will fill such vacancies until the first General Meeting.

Directors can be individuals or legal entities. If a legal entity is appointed, it must, in turn, designate, a single individual to permanently exercise the functions inherent in the post, who must meet the legal requirements established for the directors, be subject to the same duties and be jointly and severally liable together with the legal entity director. The proposal of a representative who is an individual must be included in the Appointments and Remuneration Committee report. The revocation of his/her representative will not take effect until the person substituting him/her has been appointed.

The proposal for the appointment or re-election of independent directors must be made by the Appointments and Remuneration Committee. In the remaining cases, the Board of Directors itself is tasked with making such proposals. The proposal must be accompanied by a Board of Directors' report justifying its decisions, which assesses the competences, experience and merits of the proposed candidate, which will be attached to the minutes of the General Shareholders' Meeting or of the Board



itself. The proposed appointment or re-election of any non-independent director must also be preceded by a report by the Appointments and Remuneration Committee.

Between the publication date of the announcement notice for the General Shareholders' Meeting and the date on which such meeting is held, the Company must publish, on an on-going basis, at least the following information on its web page regarding the people proposed for appointment, ratification or re-election as Board members: a) identity and curriculum; b) remunerated activities performed, whatever their type; c) the category for which such people are proposed, highlighting, where appropriate, the shareholder they represent or with which they are related; d) the date of their first appointment as Company directors, and of any subsequent re-elections; e) shares of the Company, and share options held by them, and f) the proposal and report mentioned. In the case of a legal entity, the information must include that relating to the individual to be appointed as representative.

Re-election (article 13.1 of the Regulations)

The directors will exercise their duties during the period established in the Articles of Association (four years), and may be re-elected one or more times for periods of equal duration.

Evaluation (article 15.2 of the Regulations)

The Chairman of the Board of Directors is responsible for organising and coordinating with the chairpersons of the related Committees, the periodic assessment of the Board, and, where appropriate, that of the Chief Executive Officer or of the first executive.

Resignation/Dismissal (article 14 of the Regulations)

Directors will no longer hold their offices when so decided by the General Shareholders' Meeting, when they notify their resignation to the Company and once their term of office has elapsed.

The directors must offer their resignation to the Board of Directors and execute the related resignation in the cases detailed in the following section C.1.21 of this Report.

The Board of Directors will refrain from proposing the dismissal of any independent director before the end of the statutory term for which he/she was appointed, unless there are justified reasons, in the opinion of the Board and subject to a prior report from the Appointments and Remuneration Committee. Just cause will be deemed to exist when the director occupies new posts or assumes new obligations preventing him/her from devoting sufficient time to performing director functions, when he/she breaches the duties inherent in his/her post or when any of the circumstances arise preventing him/her from becoming an independent director.

The Board of Directors will propose the dismissal of the remaining directors before the end of the statutory term for which they were appointed, when there are justified reasons, in the opinion of the Board and subject to a prior report from the Appointments and Remuneration Committee.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate operation produces changes in the Company's shareholder structure, in order to meet the proportionality criterion set out in the Regulations.

When a director, Secretary or Deputy Secretary to the Board of Directors leaves his/her post before the end of his/her term of office, he/she must explain the reasons in a letter submitted to all the Board members, without prejudice to the fact that this cessation is notified as a significant event to the CNMV, and that the reason for the cessation is explained in the Annual Corporate Governance Report. In particular, in the event that the resignation is due to the fact that the Board has adopted significant or reiterated decisions with respect to which the director, Secretary or Deputy Secretary have evidenced serious reservations which have led them to resign, such circumstances will be stated in the resignation letter addressed to the Board of Directors.

#### C.1.20 Explain to what extent this annual assessment of the Board has prompted significant changes in its internal organisation and in the procedures applicable to its activities:

##### Description of changes

The 2015 Board of Directors' evaluation report includes an analysis on the measures and proposals included in the Action Plan that formed part of the 2014 evaluation report. The improvements included were as follows:

1. Regular communication with the directors to inform them of regulatory best corporate governance novelties, as well as regulatory changes that may affect them due to their status as

directors.

2. Greater flexibility and amplification in the duration of the meetings of the collective bodies, so that directors can more easily adapt to the specific content of the agenda.
3. Review of the evaluation questionnaire approved by the Appointments and Remuneration Committee to identify those practices recommended by the new Code of Best Practice for listed corporations, to be included in such review.
4. In 2015, the evaluation questionnaire included 20 new questions, relating to the following areas: corporate governance, directors' duties, the risk control and management system, corporate responsibility and the evaluation form.

This internal analysis concluded that there had been a high degree of compliance with and application of the 2014 Action Plan proposals. However, they will continue to be taken as reference for successive years and those that have not been fully implemented will form part of the 2016 Action Plan.

**C.1.20.bis** Describe the evaluation process and the areas assessed by the Board of Directors aided, where appropriate, by an external consultant, regarding the diversity of its structure and competences, the functioning and breakdown of its committees, the performance of the Chairman of the Board of Directors and of the Company's CEO, together with the diligence and contributions of each director:

#### Description of changes

The evaluation is performed internally, organised and coordinated by the Chairman of the Board of Directors with the technical assistance of the Secretary to the Board of Directors. It not only encompasses the functioning of the Board as a collective body but also includes a review of compliance with the individual duties and obligations of the directors, taking into account the positions they hold on the committees, and the activity of the Chairman of the Board, the Chief Executive Officer and the Secretary to the Board.

The evaluation is performed on the basis of the following information:

- 1) Responses of the directors, included in specific confidential individual evaluation questionnaires. The questionnaire form was prepared by the Secretary to the Board of Directors, with the supervision of the Appointments and Remuneration Committee.
- 2) Annual reports on the breakdown, functioning and activity of the Board of Directors and of the Board Committees, in line with Recommendation 36 of the Code of Best Practice for listed corporations and article 8.2.j) of the Board of Directors' Regulations.

The aforementioned reports are prepared and approved by the related bodies to which they refer, except that of the Board of Directors, which is prepared by the Appointments and Remuneration Committee and which is submitted to it for its approval.

These reports are structured as follows: internal system, competences, breakdown, functioning and most notable activities in the year. They specifically refer to the changes affecting each collective body, as well as to the regulatory novelties arising in the year.

The results of the assessment are included in an overall report divided into two parts: (i) Analysis on the measures and proposals included in the Action Plan that formed part of the preceding year's evaluation report (ii) The Action Plan for that year, with specific verifiable action proposals.

**C.1.20.ter** Breakdown, where appropriate, of the business relationships that the consultant or any of its group companies hold with the Company or any of its Group companies. n/a.

**C.1.21** Indicate the cases in which directors are obliged to resign.

According to article 14 of the Board of Directors' Regulations, directors will offer their resignation to the Board of Directors and make the relevant dismissal in the following cases, if considered appropriate by the Board:

- a) When executive directors no longer hold the executive or management offices to which their appointment as directors was linked.
- b) When the shareholder represented by the significant-shareholder appointed directors sells its whole shareholding or when such shareholder reduces its shareholding up to a limit that requires a reduction in the number of its significant-shareholder appointed directors.

- c) When an independent director unexpectedly commits any of the actions preventing his/her classification as an independent director.
- d) When any of the incompatibilities or prohibitions set out by the legislation in force arise.
- e) When directors are seriously reprimanded by the Appointments and Remuneration Committee as a result of an infringement of their obligations.
- f) When the circumstances of directors might damage the Company's good standing and reputation. In such cases, the director must immediately inform the Board about the criminal proceedings in which he/she is involved as defendant, as well as the subsequent outcome.
- g) When a director is indicted or tried for any of the crimes penalised by Law, the Board will examine the matter as soon as possible and, in view of the particular circumstances, decide whether or not he or she should continue in his/her post. Accordingly, the Board should reasonably disclose all such information in the Annual Corporate Governance Report.

Exceptionally, that previously indicated in the resignation causes envisaged in letters a), b) and c) will not apply when the Board of Director considers, subject to a report by the Appointments and Remuneration Committee, that causes exist justifying the director's non-dismissal, without affecting the impact new unexpected circumstances may have on the director's rating.

C.1.22 Section revoked.

C.1.23 Are reinforced majorities required, other than the legal majorities, for any type of resolution?:

Yes  No

Where appropriate, describe the differences.

Description of the differences

C.1.24 Explain whether there are specific requirements, other than those regarding directors, to be appointed Chairman of the Board of Directors.

Yes  No

Description of the requirements

C.1.25 Indicate whether the Chairman has the casting vote:

Yes  No

Areas in which a casting vote applies:

C.1.26 Indicate whether the Articles of Association or Board of Directors' Regulations set any age limit for directors:

Yes  No

C.1.27 Indicate whether the Articles of Association or Board of Directors' Regulations set any limit regarding the term of office of independent directors, other than that established in the regulations:

Yes  No

Maximum term of office	-
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C.1.28 Indicate whether the Articles of Association or Board of Directors' Regulations establish specific regulations to delegate voting to the Board of Directors, the means of such delegation and, in particular, the maximum number of delegations per director, as well as whether the obligation has been established to delegate in one director of the same type. Where appropriate, details these regulations briefly.

In conformity with that established in article 28 of the Board of Directors' Regulations, all the directors must attend the meetings held, except when just cause exists to the contrary. When a Board member cannot attend a meeting, said member can grant his representation to another Board member, in writing and for each meeting, with the pertinent voting instructions. Any given Board member can represent more than one of the other members. The non-executive directors may only delegate their representation to another non-executive director.

C.1.29 Indicate the number of meetings the Board of Directors has held during the year. Where applicable, indicate how many times the Board has met without the Chairman in attendance: In calculating this number, proxies granted with specific instructions shall be considered attendance.

Number of Board meetings	9
Number of Board meetings not attended by the Chairman	0

If the Chairman is an executive director, indicate the number of meetings held, without the attendance or representation of any executive director or under the chairmanship of the coordinating director:

Number of meetings	0
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Indicate how many meetings have been held by the various Board committees throughout the year:

Number of Executive Committee meetings	11
Number of Audit Committee meetings	5
Number of Appointments and Remuneration Committee meetings	4

C.1.30 Indicate the number of meetings the Board of Directors has held during the year with the attendance of all its members. In calculating this number, proxies granted with specific instructions shall be considered attendance:

Attendance of directors	9
% of attendance to total votes during the year	100

C.1.31 Indicate whether the individual and consolidated financial statements submitted to the Board for its approval have been previously certified:

Yes  No

Where applicable, identify the person(s) who has (have) certified the Company's individual and consolidated financial statements to be prepared by the Board:

Name	Position
-	-

C.1.32 Explain the mechanisms, if any, established by the Board of Directors to prevent the individual and consolidated financial statements prepared by it from being presented to the Shareholders' Meeting with a qualified auditors' report.

The Board of Directors' Regulations (article 23.1 f) entrusts the Audit and Control Committee with the duty of ensuring that the Board submits the accounts to the Shareholders' Meeting without reservations

or qualifications in the audit report. In exceptional cases in which said reservations or qualifications may arise, both the Chairman of the Audit and Control Committee and the auditors will have to provide shareholders with a clear explanation of the content and scope thereof.

The Audit and Control Committee regularly assists both the Financial Director and the Internal Audit and Process Control Director who, in this way, can directly process all queries from directors regarding matters dealt with by the Committee. Moreover, the Committee regularly requires the participation of external auditors at some of the meetings envisaged in the year -with the adequate level of responsibility and representativeness of the audit firm- and in any case, with respect to the half-yearly review and the conclusions of the preliminary and final audit work. At these meetings, the conclusions reached by the external auditors as a consequence of their work are anticipated and analysed, to take the required measures and avoid the need to include any potential reservation, mention or qualification in the auditors' report. At such meetings, a review is performed of all the worked carried out by the external auditors (with the collaboration of the Financial Division and the Internal Audit Division). Their conclusions are analysed in detail for each of the periods reviewed, and the auditor adequately informs the Audit and Control Committee of the main points of such review.

The Chairman of the Audit and Control Committee immediately informs the Board of Directors of the content of its meetings. After the meetings, all Board members receive a copy of the Committee minutes.

C.1.33 Does the Secretary to the Board have the status of director?

Yes

No

Name or corporate name of the secretary:

Mr. Manuel de la Viuda Fernández de Heredia.

C.1.34 Section revoked.

C.1.35 Indicate what mechanisms the Company has established, if any, to preserve the independence of the external auditors, the financial analysts, the investment banks and the rating agencies.

On 24 February 2016 (the same date on which this corporate governance report was approved), the Board of Directors resolved to amend its Regulations, specifically article 23, to adapt it to the amendment of article 529 quatercedies of the Spanish Companies Law, which will enter into force in June 2016 and which was introduced by Audit Law 22/2015, of 20 July.

The Audit and Control Committee is tasked with establishing the appropriate relationships with the external auditor, in order to receive information and examine the audit plan and all those matters that may threaten its independence, as well as any other issues related with the audit process and development. This Committee is also charged with granting the required authorisation, when necessary, to provide services other than prohibited services, in line with applicable independence regulations, and with performing or supervising those other notifications envisaged in audit legislation and regulations, verifying that the Company's senior management takes into account its recommendations.

In any case,

- a) the Company must receive an annual declaration from the external auditors regarding their independence vis-à-vis the Company or entities directly or indirectly related thereto, together with detailed, itemised information on additional services of any kind provided and the related fees received from these companies by the external auditor or by persons or entities related thereto, in accordance with the audit regulations in force.
- b) The Company will have to inform the Spanish Securities Market Commission (CNMV), in a regulatory statement, of a change of auditor, attaching thereto, as the case may be, a statement regarding the possible disagreements with the outgoing auditor and, if they had existed, the content thereof.
- c) The Company has established the appropriate measures to ensure compliance with the applicable laws regarding the provision of services other than auditing services, the restrictions on the concentration of the auditor's business, and, in general, with other laws stipulated to safeguard the independence of auditors.

- d) The Audit and Control Committee has competency to examine the circumstances which motivated the external auditor to resign, in the event this occurs.

On an annual basis, the Audit and Control Committee will issue a report in which it will express an opinion on whether the independence of the auditor has been compromised. In any case, this report must provide a legitimate assessment on the provision of all additional services, individually and globally considered, other than the legal audit and in relation with the independence system or the audit regulations.

The notes to the financial statements and this Corporate Governance Report contribute information on the audit and other services provided by the external auditor in the year.

- C.1.36 Indicate whether the Company has changed its external auditor during the year. If so, identify the incoming and outgoing auditors:

Yes  No X

Outgoing auditor	Incoming auditor

If there were disagreements with the outgoing auditor, explain their grounds:

Yes  No X

Explanation of disagreements

- C.1.37 Indicate whether the audit firm performs other engagements for the Company and/or its Group other than the audit. If so, declare the amount of fees received for such work and the percentage of such fees with respect to the total fees charged to the Company and/or its Group:

Yes X No

	Company	Group	Total
Amount of engagements other than audit work (thousands of euros).	35	0	35
Amount of engagements other than audit work/ total amount billed by the audit firm (in %)	15.42	0	12.32

- C.1.38 Indicate if the auditors' report on the financial statements for the preceding year contains any reservations or qualifications. If so, indicate the reasons given by the Chairman of the Audit Committee to explain the content and scope of said reservations or qualifications.

Yes  No X

- C.1.39 Indicate the number of years during which the current audit firm has been performing the audit of the financial statements for the Company and/or its Group without interruption. Likewise, indicate the percentage of the number of years audited by the current audit firm with respect to the total number of years in which the financial statements have been audited:

	Company	Group
Number of consecutive years	14	14

	Company	Group
No. of years audited by the current audit firm/ No. of years that the Company has been audited (in %)	77.8	77.8

C.1.40 Indicate and, where appropriate, detail whether a procedure exists for the directors to benefit from an external adviser:

Yes X

No

#### Details of the procedure

The procedure is envisaged in article 33.6 of the Board of Directors' Regulations. In order to help directors to exercise their functions, the Board, at the request of the directors, may arrange with a charge to the Company, the counselling of legal, accounting, financial or other experts.

Such appointment must necessarily relate to specific problems of certain significance and complexity arising in the performance of the related functions.

The arrangement request must be made to the Chairman and may be rejected by the Board of Directors if it is considered that:

- it is not necessary for the strict performance of the functions entrusted to the directors;
- its cost is not reasonable in comparison with the scale of the problem and of the Company's assets and income;
- the technical assistance obtained may be adequately provided by company experts and technical staff;
- from a confidentiality standpoint, the information that must be provided to the expert may constitute a risk.

C.1.41 Indicate and, where appropriate, detail whether a process exists for directors to obtain the information required to be able to prepare Board meetings in sufficient time:

Yes X

No

#### Details of the procedure

Together with the announcement of the Board meetings, in conformity with the procedure stipulated in article 27.4 of the Board of Directors' Regulations, each director receives the Agenda proposed by the Chairman, who must sufficiently explain the matters to be dealt with. The announcement should be accompanied by the documentary information to be submitted at the Board meeting, except when, in the Chairman's opinion, in exceptional cases and for security reasons, it is more appropriate that such documentation be examined only at Company headquarters.

Furthermore, article 33.3 of the Board of Directors' Regulations stipulates that it is each director's obligation to obtain all the information that it deems necessary or advisable at all times for the sound performance of his/her duties. In particular, each of the directors is obliged to diligently inform on the Company's performance. For such purpose, each director is invested with the most extensive powers to furnish information on any aspect of the Company, to the extent he/she deems necessary or advisable to diligently exercise his/her functions. This duty of disclosure also extends to the various subsidiaries integrating the Atresmedia Group, and it must always be exercised in accordance with the requirements of good faith.

For these purposes, the Company will also provide the support required for the new directors to acquire speedy and sufficient knowledge of the Company, and of its corporate governance rules, and it may establish guidance programmes in this connection. Likewise, the Company may establish knowledge update programmes aimed at directors, when the circumstances so advise.

In order not to adversely affect the Company's ordinary management, the duty of disclosure will be channelled through the Chairman, or the Secretary to the Board of Directors, who will deal with the director's requests, directly providing them with information or offering them the Company delegates considered appropriate for each case.

Likewise, the functions performed by the Secretary to the Board include that of adopting the measures required in order that the Board is always up to date with the matters dealt with and the decisions adopted by the Executive Committee and the remaining Committees. Accordingly, he/she must

guarantee that all the Board members receive a copy of the minutes of the Executive Committee and remaining Committee meetings.

Lastly, in order to be duly informed so as to adequately carry out their functions, the directors will frequently receive data relating to significant changes in the Company's shareholder structure and the opinion of the significant shareholders, investors and rating agencies on the Company and its Group.

C.1.42 Indicate and, where appropriate, detail whether the Company has established rules obliging the directors to inform upon and, where appropriate, resign in those cases which may harm the Company's good standing and reputation:

Yes  No

Explain the rules

In accordance with article 14.2.f) of the Board of Directors' Regulations, the directors must offer their resignation to the Board of Directors and resign accordingly should the Board deem it advisable when, in the figure of director, circumstances arise that may adversely affect the Company's good standing and reputation. In such cases, the director must immediately inform the Board about the criminal proceedings in which he/she is involved as defendant, as well as the subsequent outcome.

C.1.43 Indicate whether any Board member has informed the Company of being sued or having any court proceedings initiated against him or her for any of the offences listed in article 213 of the Spanish Companies Law:

Yes  No

Name of the director	Criminal case	Observations

Indicate whether the Board of Directors has analysed the case. If the response is affirmative, explain in a legitimate manner the decision taken on whether it is appropriate or otherwise for the director to continue in his/her position or, where appropriate, set forth the procedures performed by the Board of Directors up to the date of this report or which are envisaged.

Yes  No

Decision taken/procedure performed	Reasoned explanation

C.1.44 Detail the significant agreements entered into by the Company that take effect, alter or terminate if there is a change of control at the Company following a takeover bid, and their effects.

None.



C.1.45 Identify on an aggregate and detailed basis the agreements reached between the Company and its administration and management posts or employees that have indemnity payments, guarantee or lock-in clauses, when such employees resign or are unfairly dismissed, or whether the contractual relationship comes to an end as a result of a takeover bid or other type of transaction.

Number of beneficiaries	2
Type of beneficiary	Description of the resolution
DIRECTORS	When executive directors are hired, indemnity clauses may be stipulated, applicable only during the first two years in which the contract is in force and only in the event of a unilateral termination by the company. The maximum limit of such indemnity payment will be one year's full salary. Indemnity clauses may also be stipulated in the event of a change in the Group's controlling shareholder, with a maximum indemnity payment equivalent to an annual payment of the director's full remuneration, including the variable and fixed component.
EXECUTIVES	This type of clause is not common. In certain exceptional cases, following individual negotiation and motivated by the special interest the business might have in contracting a specific professional, a special compensation regime may be established, that can be temporary or permanent, and in which the particular circumstances of this contract and its future termination are taken into account and assessed.
EMPLOYEES	The general rule is that under no circumstances would a takeover bid itself be grounds for the termination of an employment contract and the payment of indemnity.

Indicate whether these contracts must be disclosed and/or approved by the Company or Group bodies:

	Board of Directors	Shareholders' Meeting
Body that authorises the clauses	X	

	YES	NO
Was the Shareholders' Meeting informed of the clauses?		X

## C.2 Board of Directors' Committees

C.2.1 Detail all the Board of Directors' committees, their members and the proportion of significant-shareholder appointed and independent directors integrating them:

### EXECUTIVE COMMITTEE

Name	Position	Type
Mr. José Creuheras Margenat	Chairman	Significant-shareholder appointed
Mr. Maurizio Carlotti	Deputy Chairman	Executive
Mr. Silvio González Moreno	Director	Executive

Mr. Marco Drago	Director	Significant-shareholder appointed
Mr. Nicolas de Tavernost	Director	Significant-shareholder appointed

% of executive directors	40
% of significant-shareholder appointed directors	60
% of independent directors	0
% of other non-executive directors	0

Explain the functions attributed by this Committee, describe its processes and rules of organisation and functioning and summarise its most important procedures in the year:

The existence of this Committee is envisaged in article 39 of the Articles of Association, which also establish the rules relating to its breakdown, functioning and competences, dealt with in further detail in articles 20 and 21 of the Board of Directors' Regulations. As with the remaining Board committees, with respect to that not specifically envisaged for the Executive Committee, the rules of functioning of the Board must apply to the extent they are compatible with its type and function.

As a general rule, the Executive Committee meets on the same day as the Board of Directors, and on a preliminary basis, since its main activity consists of preparing the Board of Directors' meetings.

Except in exceptional emergency or essential circumstances, the Committee does not exercise the powers formally delegated on a permanent basis, accordingly, it does not usually adopt any type of resolution. When it has occasionally done so, always on an extraordinary basis and for the aforementioned emergency and/or essential reasons, the resolution has subsequently been expressly ratified by the plenary meeting of the Board of Directors.

A qualified majority of two thirds of the Board members is required to be appointed as a member of the Executive Committee, under articles 39 of the Articles of Association, article 20 of the Board of Directors' Regulations and article 249 of the Spanish Companies Law. Such members are appointed by the Board of Directors from among the Company's directors.

The Committee must be formed by no less than three (3) and no more than nine (9) directors, pursuant to article 20 of the Board of Directors' Regulations. The exact number of members integrating this Committee at each moment will be determined by the Board, considering its size, optimum operability and the maximum effectiveness of the Executive Committee and the number of members of the remaining Committees.

Due to their position, Executive Committee members include the Chairman of the Board, (who is also its Chairman, as stipulated in section 3 of the aforementioned article 20) and the CEO. The Committee Secretary is the Secretary to the Board, or in his/her absence, the Deputy Secretary, who does not have voting rights, unless he/she is also a director and member of the Executive Committee.

Pursuant to the Company's Articles of Association and the Board of Directors' Regulations, the Executive Committee will meet, subject to the prior summons by the Chairman, when so required for the interests of the Company, and, regularly, once a month unless the Chairman does not consider it necessary.

The Committee is validly formed through direct attendance or by means of representation of, at least, the majority of its members, and adopts its resolutions by the absolute majority of its members present or duly represented, always by another director member of the Executive Committee. In the case of a tie, the Chairman will have the casting vote.

The main task of the Executive Committee formed in 2015 involved the preparation of Board of Directors' meetings. The two meetings additional to those of the Board, held in January and June 2015, focused on knowledge and supervision of the most significant aspects of the Group's ordinary management, without adopting any specific resolution.

All Board members receive a copy of the minutes of the meetings of this Executive Committee, once they have been approved.

Indicate whether the breakdown of the Executive Committee reflects participation on the Board of the different types of directors:

Yes

No

If no, explain the breakdown of the Executive Committee

The proportionality criterion equivalent to the Board of Directors is not complied with on the Executive Committee, since none of its members are independent directors. The breakdown of the management bodies and the different types of its members is determined by the composition of Atresmedia's shareholder structure, with a significant concentration of ownership of voting and dividend rights in the two most important stable significant shareholders, who are proportionally represented on that Executive Committee, together with the executive directors.

The common purpose of this Executive Committee within the Company is to deliberate and reflect, analyse and support the Board of Directors. Therefore, it does not assume executive functions of any type, except specific exceptional circumstances that are subsequently always expressly ratified by the Board of Directors. Accordingly, the Board's activity is not actually substituted by the Executive Committee, nor are its delegable powers complementarily exercised in the performance of the Board's actual control activity which, in fact, is the common preferential body, virtually unique, to collectively govern the Company, both with respect to ordinary and extraordinary matters. In this regard, it must be highlighted that the meetings of the Executive Committee coincide with those of the Board itself, in most cases, but the Executive Committee meetings always take place first, the content of which is immediately notified by the Chairman to the plenary session of the Board of Directors.

#### AUDIT AND CONTROL COMMITTEE

Name	Position	Type
Ms. Aurora Catá Sala	Chairwoman	Independent
Mr. Elmar Heggen	Deputy Chairman	Significant-shareholder appointed
Imagina Media Audiovisual	Director	Significant-shareholder appointed
Ms. María Entrecañales Franco	Director	Independent
Mr. José Manuel Lara García	Director	Significant-shareholder appointed

% of executive directors	0
% of significant-shareholder appointed directors	60
% of independent directors	40
% of other non-executive directors	0

Explain the functions attributed by this Committee, describe its processes and rules of organisation and functioning and summarise its most important procedures in the year:

Its existence is envisaged in the Articles of Association (art.41), which also establish the breakdown, functioning and competences rules (art.42) enacted by the Board of Directors' Regulations (arts. 22 and 23).

Its main functions are as follows:

- a) To notify the Shareholders' Meeting of matters falling within its competences.
- b) To supervise the effectiveness of the Company's internal control, internal audit and risk management systems, and to discuss with the auditor any significant weaknesses in the internal control system identified during the performance of the audit.

- c) To supervise the functions of the internal control and risk management division.
- d) To supervise and control the internal audit unit.
- e) To supervise the preparation and presentation of the mandatory financial information on the Company and its Group.
- f) To ensure that the Board of Directors submits the accounts to the General Meeting without reservations, restrictions or qualifications in the auditors' report.
- g) To submit to the Board the selection, appointment, re-election and substitution proposals regarding the external auditor.
- h) To establish the appropriate relationships with the external auditor to receive information on the audit plan and its independence.
- i) To inform the Board of Directors of all matters envisaged by Law, in the Company's Articles of Association and in the Board of Directors' Regulations and, in particular, of:
  - a. Interim financial reporting.
  - b. Acquisition of holdings in special purpose vehicles or in tax havens.
  - c. Related party transactions
  - d. Annual Corporate Governance Reports.
- j) To establish and supervise a mechanism enabling employees to notify irregularities, especially of a financial and accounting nature.
- k) To supervise compliance with the corporate governance rules, codes of conduct and the corporate social responsibility policy.

Organisation and functioning rules:

Formed by a minimum of three and a maximum of five directors who must not be executive directors, appointed by the Board of Directors, at least one of which must have knowledge of accounting, audit or both. Most of its members must be independent.

They cease to be Committee members when they cease to be directors, or following a resolution of the Board of Directors.

The Chairman of the Audit and Control Committee is independent and his term of office is four years. He may be re-elected one year after removal.

The Committee's Secretary can be the Secretary to the Board of Directors or the Deputy Secretary. In the event that the Chairman of the Audit and Control Committee is absent, the Committee member appointed by such committee from among the attendees at the meeting will act as Chairman.

The Committee meets following an announcement by the Chairman, once every quarter, and as requested by at least three of its members, by the Chairman of the Board or the Chief Executive Officer.

The Audit and Control Committee is validly formed when the number of directors present or represented exceeds the number of absent directors, and it adopts its resolutions by absolute majority of the attendees. The Chairman has the casting vote.

Executive directors may attend Committee meetings when agreed by its members and any Company employee or executive may also be convened at the meeting. The Financial Director and the Audit and Process Control Director regularly attend the meetings of this Committee, informing the directors of the matters belonging to their respective competencies dealt with thereat. An authorised representative of the external auditor also attends the meetings, when the Committee considers it necessary and, in any case, when presenting the half-yearly results and preparing the financial statements.

The Audit and Control Committee may use external advisers, in accordance with that set forth in the Board of Directors' Regulations.

Minutes are drawn up of the meetings, which are submitted to the Board members.

The Committee provides an account of its activity at the first plenary Board meeting following each of its meetings.

Activities in 2015 centred mainly around the following:

- Frequent review of the reports on related party transactions.
- Analysis of the main conclusions at the 2014 accounting close and of the conclusions of the audit performed by the external auditor, Deloitte.
- Review of the 2014 individual and consolidated financial statements and of the directors' report.
- Approval of the mandatory report on the independence of the external auditor and its additional services.
- Proposal to re-elect Deloitte as the external auditor of Atresmedia Corporación and of its Group for 2015.
- Analysis of the Control and Risk Management System.
- Approval of the 2014 Activities Report.
- Review of the interim financial reporting package (quarterly and half-yearly).
- Review of the 2014-2015 Audit Plan and approval of the 2015-2016 Plan.
- Analysis of the activity of the Regulatory Compliance Committee.
- Analysis of the monitoring of the recommendations of the new Code of Best Practice for listed corporations.
- Analysis of the report of the Regulatory Compliance Director.
- Analysis of the report on the following policies: corporate governance, director selection, communication and contact with shareholders, institutional investors and voting and corporate responsibility advisers.
- Review and analysis of the 2015 year-end plan and of the preliminary external auditors' report.
- Analysis of the progress of the 2015-2016 audit plan.

Identify the director member of the Audit Committee appointed in light of his/her knowledge and experience of accounting, audit or both and report on the number of years the Committee Chairman has held his post:

Name of the director with experience	Ms. Aurora Catá
No. of years the Chairman has held his post	2

#### APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Type
Mr. Nicolás de Tavernost	Deputy Chairman	Significant-shareholder appointed
Mr. Mauricio Casals Aldama	Director	Significant-shareholder appointed
Ms. Aurora Catá Sala	Director	Independent
Ms. María Entrecanales Franco	Director	Independent
Ms. Patricia Estany Puig	Director	Independent

% of executive directors	0
% of significant-shareholder appointed directors	40
% of independent directors	60
% of other non-executive directors	0

Explain the functions attributed by this Committee, describe its processes and rules of organisation and functioning and summarise its most important procedures in the year:

Its existence is envisaged in the Articles of Association (art.41), which also establish the breakdown, functioning and competences rules enacted by the Board of Directors' Regulations (arts. 24 and 25).

#### Functions:

- Submit the proposals regarding independent directors to the Board.
- Inform on proposals relating to the remaining directors.
- Prepare an explanatory report on Board requirements regarding its directors' selection policy.
- Assess the competences and experience required to form part of the Board.
- Establish a target representation for the least represented gender on the Board of Directors, and prepare guidance on how to attain such target.
- Organise the succession of the Chairman and of the Company's CEO and, where appropriate, make proposals to the Board of Directors to ensure that such succession takes place in an ordered planned manner.
- Inform on the rules regulating the activity of the management bodies.
- Notify the appointment and separation proposals of senior executives and the conditions of their contracts.
- Propose the remuneration policy of directors and senior executives to the Board of Directors.
- Notify and propose the individual remuneration and contractual conditions of the executive directors, informing the Board of the suitability of the executive director contracts, overseeing compliance with the regulations and remuneration policy.
- Review the remuneration policy applied to directors and senior executives, including the remuneration systems involving shares and their application, and guarantee that their individual remuneration is in proportion to that paid to the remaining directors and senior executives.
- Ensure that the external advisory services provided to the Committee are independent.
- Verify the information on the remuneration of directors and senior executives contained in corporate documents.
- Inform the Board of the Annual Directors' Remuneration Report.

#### Organisation and functioning:

The Appointments and Remuneration Committee must be formed by a minimum of three and a maximum of five directors, none of which can be executive directors.

Its members are appointed by the Board from among Company directors, taking into account the knowledge and experience of such directors and the Committee's undertakings. Three of such Committee members, that is, the majority, are independent.

The post of Chairman must be occupied by an independent director appointed for a maximum period of four years. He/she can be re-elected for periods of equal duration. The Secretary of the Appointments and Remuneration Committee must be the Secretary to the Board or, where appropriate, the Deputy Secretary.

In the event the Secretary of the Committee is absent, the Committee member appointed by him/her from among the attendees at the meeting in question will act as Secretary.

The Appointments and Remuneration Committee is validly formed when the number of directors present or represented exceeds the number of absent directors, and it adopts its resolutions by absolute majority of the attendees. The Chairman has the casting vote.

Appointments and Remuneration Committee Meetings may be attended by executive directors and any Company employees or executives when expressly agreed by its members. On an annual basis, the Committee convenes the Corporate Director General to inform on the execution of the directors' variable remuneration policy: specimen, results, amounts, etc.

The Committee meets following an announcement by the Chairman, when he/she deems it appropriate, and as requested by at least three of its members, by the Chairman of the Board or the Chief Executive Officer.

Meetings are held when it is necessary to deal with any matter relating to the powers granted: proposals and remuneration reports, appointments and removals of directors and senior executives and lastly, corporate governance.

The Chairman informs the plenary Board meeting of the matters discussed at the Committee meetings. All Board members receive a copy of the minutes of all committee meetings, even if they are not members of such committees.

Main activities in 2015:

- Notify the Board of the appointment of significant-shareholder appointed directors through co-optation, supervised by the Committee, approved by the Board and ratified by the General Shareholders' Meeting.
- Coordinate and supervise the change of Board Chairman and inform on the suitability of the new Chairman.
- Inform the Board of the 2014 Directors' Remuneration Report that contained the directors' remuneration policy.
- Inform the Board of the conservation of the independent status of the three female directors that have such status, and review the types of the remaining directors.
- Approve the 2014 Activity Report
- Notify the Board of the contract of the new non-executive Chairman and of the review of the CEO's contract.
- Inform the Board of the proposals for the re-election, ratification and appointment of directors by the General Shareholders' Meetings.
- Propose the appointment of an independent female director and manage her selection process, with the collaboration of an external specialised firm.
- Approve the explanatory reports on the proposals for the re-election, ratification and appointment of directors.
- Inform on the proposals for the breakdown of Board Committees.
- Approve the proposals to amend the Articles of Association, the Regulations of the General Shareholders' Meetings and the related explanatory reports.
- Approve the proposals to amend the Board of Directors' Regulations, the Internal Regulations on Security Market Matters, the Code of Conduct and the related explanatory reports.
- Inform the Board of the execution of the annual evaluation process and that of its committees in 2014 and of the 2015 Action Plan.
- Approval of the proposed 2014 Annual Corporate Responsibility Report.

C.2.2 Fill out the following table with the information relating to the number of female directors forming the Board of Directors' committees in the last four years:

	Number of female directors			
	2015 % number	2014 % number	2013 % number	2012 % number
Executive Committee	0	0	0	0
Audit Committee	40%	20%	25%	25%
Appointments and Remuneration Committee	60%	20%	20%	20%

C.2.3 Section revoked.

C.2.4 Section revoked.

C.2.5 Indicate, where appropriate, the existence of Board committee regulations, the place in which they are available for consultation and the amendments made in the year. In turn, indicate if any annual report on the activities of each committee has been prepared voluntarily.

No specific regulations exist with respect to Board Committees. Such rules are included in the Board of Directors' Regulations, which establish the competences, breakdown, etc. of such committees, and which are available for consultation on the CNMV web page and on the corporate web page.

In the areas relating to the organisation and functioning of the committees that are not expressly envisaged in the Board of Directors' Regulations, as stated therein, the rules established in relation to the Board are applied, provided that they are compatible with the nature and function of the committee in question.

Each Board committee annually approves a report on its breakdown, functioning and activity during the year, subsequently reporting on it to the Board of Directors. Such reports are published on the corporate web page and are taken as reference for the Board of Directors' assessment of the committees.

C.2.6 Section revoked.

## **D** RELATED PARTY AND INTRA-GROUP TRANSACTIONS

D.1 Explain, if applicable, the procedures for approving related party or intra-group transactions:

### Procedure to approve related party transactions

The Board of Directors approves the related party transactions following a favourable report by the Audit and Control Committee, except those performed under contracts whose conditions are standardised and which are applied as a whole to many customers and, furthermore, at prices or rates generally established by the party acting as supplier of the good or service in question, provided that the amount of such good or service does not exceed one per cent (1%) of the Company's annual income.

In 2015, a specific protocol was approved by the Regulatory Compliance Committee, sending the mandatory information to the Audit and Control Committee, for the analysis and supervision of related party transactions.

This protocol regulates the special procedures that must be followed in relation to the related party transactions in terms of an analysis of their market conditions, and the control and monitoring mechanisms implemented at Atresmedia in this regard.

This protocol applies and is complied with by the whole Atresmedia Group. It was adequately notified to all the areas affected by its effective application.

D.2 List the relevant transactions in terms of their amount or area between the Company or its Group companies, and the Company's significant shareholders:

Name or company name of significant shareholder	Name or company name of the Company or Group company	Nature of the relationship	Type of transaction	Amount (Thousands of euros)
Planeta Corporación, S.R.L.	ATRESMEDIA CINE, S.L.U.	Contractual	PROVISION OF SERVICES	794
Planeta Corporación, S.R.L.	ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A.	Contractual	PROVISION OF SERVICES	548
Planeta Corporación, S.R.L.	ATRES ADVERTISING, S.L.U.	Commercial	PROVISION OF SERVICES	164



Planeta Corporación, S.R.L.	UNIPREX, S.A.U.	Contractual	PROVISION OF SERVICES	90
Planeta Corporación, S.R.L.	UNIPREX TV, S.L.U.	Contractual	PROVISION OF SERVICES	1
Planeta Corporación, S.R.L.	ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A.	Contractual	RECEIPT OF SERVICES	4,383
Planeta Corporación, S.R.L.	ATRES ADVERTISING, S.L.U.	Contractual	RECEIPT OF SERVICES	1,400
Planeta Corporación, S.R.L.	ANTENA 3 NOTICIAS, S.L.U.	Contractual	RECEIPT OF SERVICES	600
Planeta Corporación, S.R.L.	ATRESMEDIA CINE, S.L.U.	Contractual	RECEIPT OF SERVICES	382
Planeta Corporación, S.R.L.	ATRES ADVERTISING, S.L.U.	Commercial	RECEIPT OF SERVICES	198
Planeta Corporación, S.R.L.	CORDINA PLANET, S.L.U.	Contractual	RECEIPT OF SERVICES	141
Planeta Corporación, S.R.L.	ATRESMEDIA FOUNDATION	Contractual	RECEIPT OF SERVICES	17
Berstelmann, A.G.	ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A.	Contractual	PROVISION OF SERVICES	129

D.3 List the relevant transactions in terms of their amount or area between the Company or its Group companies, and the Company's directors or executives:

Name or company name of the directors or executives	Name or company name of the related party	Link	Nature of the transaction	Amount (Thousands of euros)
Imagina Media Audiovisual, S.L.	ATRES ADVERTISING, S.L.U.	Commercial	PROVISION OF SERVICES	164,369
Imagina Media Audiovisual, S.L.	UNIPREX, S.A.U.	Commercial	PROVISION OF SERVICES	7,231
Imagina Media Audiovisual, S.L.	ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A.	Contractual	PROVISION OF SERVICES	3,943
Imagina Media Audiovisual, S.L.	ATRESMEDIA CINE, S.L.U.	Contractual	PROVISION OF SERVICES	41
Imagina Media Audiovisual, S.L.	ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A.	Contractual	RECEIPT OF SERVICES	83,775
Imagina Media Audiovisual, S.L.	ATRES ADVERTISING, S.L.U.	Contractual	RECEIPT OF SERVICES	1,774
Imagina Media Audiovisual, S.L.	UNIPREX TV, S.L.U.	Contractual	RECEIPT OF SERVICES	648
Imagina Media Audiovisual, S.L.	ATRESMEDIA CINE, S.L.U.	Contractual	RECEIPT OF SERVICES	60

D.4 List the relevant transactions in which the Company has engaged with other companies belonging to the same Group, except those that are eliminated in the process of drawing up the consolidated financial statements and do not form part of the Company's ordinary activities with respect to its object and conditions.

In any case, all intra-group transactions performed with entities located in countries or territories considered to be tax havens will be disclosed:

D.5 Indicate the amount of the transactions performed with other related parties.

D.6 List the mechanisms established to detect, determine and resolve possible conflicts of interest between the Company and/or its Group, and its directors, managers or significant shareholders.

The mechanisms relating to conflicts of interest of the Board members are regulated in the Board of Directors' Regulations, specifically in article 34.3). Such Regulations stipulate that the directors must notify the Board of Directors of any direct or indirect conflict with Company interests.

Should such conflict be the consequence of a transaction between the director and the Company, this transaction may only be performed with the prior authorisation of the Board itself which, in turn, will have required a decision to have been handed down in this connection by the Appointments and Remuneration Committee.

In the event of conflict, the director involved will abstain from intervening in the deliberation and decision-making process on the transaction generating the conflict. The directors affected by the conflict of interests may not delegate their vote at the corresponding Board of Directors' meeting and must be absent from the meeting room when the Board votes and deliberates in this regard. The Annual Corporate Governance Report will include all the conflicts of interest in which the Company's directors are immersed.

The directors must also notify any conflict of interest with an actual or potential bearing that they or their related parties (as defined in article 231 of the Spanish Companies Law) may have with the Company. This information must be included in the notes to the financial statements of each year.

If a director or any other person affected by the Internal Rule of Conduct in the area of Security Markets is involved in a possible conflict of interest, the applicable mechanism is disclosed in such rule. The affected party must inform the Regulatory Compliance Committee as soon as possible, through a computer system installed for this purpose, of any situations that may potentially give rise to conflicts of interest as a result of his/her activities outside the Atresmedia Group, his/her family relationships, his/her personal assets or any other circumstances related with:

- a) Financial intermediaries operating with the Atresmedia Group.
- b) Professional or institutional investors that have a significant relationship with the Atresmedia Group.
- c) Significant equipment or material suppliers.
- d) Providers of professional services or external advisers, including those which provide legal, consulting or audit services.

With respect to significant shareholders, under article 8.2 of the Board of Directors' Regulations, the Board must approve the transactions performed by the Company with directors, significant shareholders or representatives on the Board, or with people related thereto (related party transactions), except in those related party transactions that comply with the requirements included in section D.1 above.

The approval of the Board with respect to related party transactions firstly requires a favourable report by the Audit and Control Committee, which must assess the transaction from the standpoint of equality in dealings with the shareholders and the market conditions thereof.

The annual public disclosures include a summary of the significant transactions performed by the Company with its directors and significant shareholders.

D.7 Is more than one Group company listed in Spain?

Yes

No

Identify the listed subsidiaries in Spain:

Listed subsidiaries

Indicate whether they have accurately and publicly disclosed the respective areas of activity they engage in, and any possible business dealings between them, as well as those of the listed subsidiary with other Group companies;

Yes

No

Define the possible business relations between the Parent and the listed subsidiary, and between the latter and the other Group companies

Identify the mechanisms envisaged to resolve the possible conflicts of interest between the listed subsidiary and the other Group companies:

Mechanisms to resolve the possible conflicts of interest

## **E** RISK MANAGEMENT AND CONTROL SYSTEMS

### E.1 Explain the scope of the Company's Risk Management System, including tax contingencies:

The Atresmedia Group has a Risk Management and Control System that is frequently reviewed and updated based on the Group's business performance, the materialisation of risks, regulatory novelties and the evolution of the organisation itself.

It is a tool to assist in Management decision-making and to efficiently address the risks, through the identification and implementation of controls and action plans for the risks identified, thereby improving the capacity to generate value, and minimising the impact of the materialisation of risks.

Risk analysis and control affects all the Group's activities, and involves all organisational units. It is therefore a corporate system in which the whole organisation participates, that must be managed by the Board of Directors, with the functions granted in this regard to the Audit and Control Committee, with the coordination and participation of the Regulatory Compliance Committee and of the Legal Advisory, Internal Audit, Process Control and Financial areas.

The System's main aim is to identify risks, perform frequent assessments and to define and apply specific control procedures to mitigate such risks.

The main objectives of the Atresmedia Group are as follows:

1. System coherence and homogeneity: assuring uniformity in the definition, identification and measurement of risks in all Group businesses.
2. Internal control corporate environment: the controls are applied by their heads in line with their test frequency. Their effectiveness is measured, reflecting the result in documentary form.
3. On-going evaluation and improvement: improving the System through the assessment of the control design, and frequently identifying new potential risks, defining and implementing the controls required for these new risks.
4. Define and notify Policies, Protocols and Procedures: the notification and management tool for the business areas of the different Group companies, offering the managers and users the internal guidelines and indications of the Group's different control and governing bodies: The Board of Directors, Audit and Control Committee, Regulatory Compliance Committee and the Internal Audit and Process Control Division.
5. Regulatory Compliance: ensuring compliance with all prevailing regulations applicable to the different Group activities.

Based on the general objectives defined for Atresmedia's Risk Management and Control System, following is a definition of its key components:

- i. Definition of targets: annually reviewing and setting new targets for the Group and for each of its business units, as well as an acceptable risk level, based on the Group's overall strategy and on internal and external events identified.
- ii. Internal control environment: frequently performing a re-assessment of the System to verify, on the one hand, the manner in which Group employees perceive risks, and checking the efficiency and functioning of the controls reducing the risks and the development of action plans and, on the other hand, reviewing the procedural environment. In turn, an assessment is performed of the effectiveness and design of the controls implemented in order to put

into place new controls or mitigate impacts. The risks are frequently re-assessed to verify whether they are effectively controlled.

- iii. Compliance: the Atresmedia Group has defined a Regulatory Compliance System that ensures compliance with all regulations, both internal and external.  
The System supervises compliance with such regulations through specific controls.
- iv. Processes: the main processes and sub-processes of the different businesses of the Atresmedia Group are defined to identify the risks that have the greatest impact on one or another business process, the existing controls and the improvement requirements for each of the processes and sub-processes identified.
- v. Organisation: the risks and controls affecting the whole Group have been defined, together with the risks and controls that exclusively affect certain organisational units. The heads of each organisational unit monitor the risks and controls specific to their organisation.

Further information on the Company's Risk Management and Control System is provided in the appendix to section H of this report.

With regard to tax risks, aside from the controls inherent in the Risk Management and Control System, in 2015, a Corporate Fiscal Policy was approved by the Board of Directors, subject to the review and approval of the Regulatory Compliance Committee and the Audit and Control Committee, which regulates the basic principles that govern Atresmedia's corporate fiscal policy, as well as the best practices applied in relation to all tax matters. These are summarised through compliance with all applicable regulations, collaboration with the tax authorities when required and by avoiding opaque structures and operations and in tax havens.

Likewise, a Procedural Protocol regarding Particularly Significant Tax Transactions was approved by the Regulatory Compliance Committee and duly notified to the Audit and Control Committee. This Protocol defines the specific procedure that must be followed with respect to the transactions that, due to their type and/or amount, require an additional, itemised analysis by the Tax Area.

## E.2. Identify the Company bodies responsible for preparing and implementing the Risk Management System, including the control of tax contingencies:

The Risk Management and Control System is a corporate system in which the whole of the Atresmedia Group participates with different levels of responsibility and participation therein. Through control assessments, all organisational and business units are actively involved in the System.

Atresmedia's main responsibilities relating to the Risk Management and Control System are summarised as follows:

### BUSINESS UNITS AND CORPORATE UNITS:

Control, assessment and supervision heads

Bound to comply with regulations: external and internal (policies, regulations and procedures).

### FINANCIAL DIVISION:

- Head of most of the financial controls and of the Internal Control over Financial Reporting (ICFR) System.
- Compliance with policies and rules related with budgets, accounts, financial statements and financial reporting.
- Head of the controls corresponding to the tax risks.

### LEGAL ADVISORY SERVICES/SECRETARY TO THE BOARD OF DIRECTORS:

- Head of most of the regulatory compliance and Corporate Governance controls.

### REGULATORY COMPLIANCE COMMITTEE:

- Collective body that monitors the Group's regulatory compliance.
- Tasked with monitoring the Code of Conduct, the Queries and Whistleblower Channel and the Internal Securities Market Regulations.

### CRIMINAL COMPLIANCE HEAD

- Responsible for the implementation and monitoring of the Group's Criminal Compliance System.

- Likewise, he/she is tasked with providing advisory services to directors and executives regarding all aspects that could have criminal consequences.

#### INTERNAL AUDIT AND PROCESS CONTROL:

- Coordinates and administers the Risk Management and Control System.
- Performs a periodical review of the risks identified and coordinates the assessment of such risks by the heads.
- Designs policies and procedures and identifies new controls.
- Verifies the application of the controls and reports to the Audit and Control Committee.

The Audit and Control Committee is responsible for the supervision of the System's functioning, the assessment of new risks and for the information to be included in the annual and half-yearly financial statements.

The Audit and Control Committee is also responsible for informing the Board of Directors on the Risk Management and Control System for which, where appropriate, it approves or modifies the action plans, promotes new measures to be implemented and supervises the assessment of the new risks identified.

#### E.3 Indicate the main risks, including tax contingencies, that can prevent the Company from achieving its targets:

The content of this section has been filled in in the appendix to section H.

#### E.4 Identify if the Company has a risk tolerance level, including with respect to tax contingencies:

Atresmedia has defined a risk tolerance level within the Risk Management and Control System in each business, based on two main criteria:

- Process potentially affected by the risk.
- Level of operations/results affected.

The System periodically assesses the level of exposure to the identified risks of the defined processes and organisations.

Risks are evaluated taking into account both:

- The inherent risk: understood to be the risk existing in the absence of actions to modify its probability and impact.
- The residual risk: understood to be the risk that remains even when the responses to the risks have been adopted and implemented.

Subsequently, all risks are assessed based on the estimated impact and probability, in line with two criteria:

- Impact: classified in accordance with the negative impact of the occurrence of the risk on results or on business continuity.
- Probability: the probability is assessed that the risk becomes apparent regardless of whether the controls are sufficient and reduce the risk to acceptable levels.

Based on the risk assessment criteria, which are frequently reviewed, risks are classified into risk groups, based on their classification.

#### E.5 Identify any risks, including tax contingencies, that have materialised during the year:

The most significant risk that materialised in 2015 relates to the penalty imposed by the Spanish National Markets and Competition Commission (CNMC) as a result of disciplinary proceedings in which this public body reviewed compliance with the conditions imposed at the time to authorise Atresmedia's concentration with La Sexta. In the CNMC's opinion, Atresmedia had breached some of these conditions, and accordingly, a penalty was imposed, which was appealed against before the courts.

In addition, this penalty did not have an impact on Atresmedia's earnings since the directors and internal and external legal advisers considered that solid grounds existed to uphold that the

conditions of the merger had not been infringed, and to therefore consider that it would be set in that manner when the legal proceedings to challenge the penalty concluded.

**E.6 Explain the response and supervision plans for the main risks to which the Company is exposed, including tax contingencies:**

The Atresmedia Group has defined a series of response plans for the different risks identified. Moreover, for those risks that materialise or have a greater probability of materialising, an additional exhaustive monitoring and follow-up process exists, implemented both by the business management/organisational unit and by the Group's senior management.

The responses to the existing risks are classified into 4 sections:

- Prevent
- Accept
- Reduce
- Share

Based on the analysis of the risk response adopted, and on the degrees of materialisation of the risks disclosed, action plans are implemented that define the measures to be implemented based on the scenario envisaged when the risk materialises. These scenarios are above all those that arise from the consideration of different forecasts in the following areas:

- Regulatory and Competition
- Market
- Technological
- Business, particularly related with the performance and processing of the business' value chain, the contents and with the behaviour of spectators/users.

**F. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS IN RELATION WITH THE ISSUANCE OF THE INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) SYSTEM.**

Description of the mechanisms of the risk management and control systems in relation to the issuance of the Internal Control over Financial Reporting (ICFR) system of your entity.

**F.1 The entity's control environment**

Report highlighting its main characteristics regarding at least:

**F.1.1. Which bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective Internal Control over Financial Reporting (ICFR) system; (ii) its implementation; and (iii) its supervision.**

Atresmedia's current internal control system is applied in a homogeneous manner in the entire organisation and encompasses a duly documented regulatory environment.

The body responsible for the supervision of the Internal Control over Financial Reporting (ICFR) system is the Audit and Control Committee, which relies on the support of the Internal Audit and Process Control Division for its implementation and maintenance.

In 2012, new Board of Directors' Regulations were approved to adapt their content to the legal reforms in relation to the competences and the functioning of the Board Committees. On 24 February 2016 (the same date on which this corporate governance report was approved), the Board of Directors resolved to amend its Regulations, specifically articles 22 and 23, to adapt them to the amendment of article 529 quatercedies of the Spanish Companies Law, which will enter into force in June 2016, introduced by Audit Law 22/2015, of 20 July.

This area also encompasses the adaptation of the competences system and the structure of the Audit and Control Committee, in relation to the ICFR. Specifically, the Audit and Control Committee's competences in respect of the ICFR include:

- Supervision of the integrity, preparation and presentation of the regulated financial information relating to the Company and, where appropriate, to the Group,

reviewing compliance with the regulatory requirements, the adequate definition of the consolidation scope and the correct application of accounting policies.

- Frequent supervision of the internal control and risk management systems, in order that the main risks are adequately identified, managed and notified, discussing with the Auditor or Audit company the significant weaknesses of the risk control system detected in the performance of the audit.
- Oversight of the independence and effectiveness of the internal audit function; proposing the selection, appointment, re-election and removal of the internal audit service head, and the estimate for that service; receiving periodic information on its activities; and verifying whether senior management has taken into account the conclusions and recommendations of its reports.

In addition, the Regulatory Compliance Committee assumes, among other functions, that of providing support and coordination in conjunction with Internal Audit and Process Control in the monitoring and supervision of the Internal Control over Financial Reporting (ICFR) system rules, approval in the implementation of the Code of Conduct and the implementation and monitoring of the functioning of the Queries and Whistleblower Channel.

The Financial Division is responsible for implementing the ICFR through the Accounting, Consolidation, Billing, Management and Administration Control areas. These areas use information from other areas and management systems, and must ensure the correct transfer of information among different management systems, and the adequate accounting registration of the financial management system (SAP).

Likewise, the Investor Relations area specifically reviews that all the information sent to the markets and to investors is clear and understandable and coincides, although its presentation is different, with the financial information of the related financial statements.

The Internal Audit Division works with the Financial Division on supervising the correct functioning of the ICFR and on defining and implementing the controls required to ensure and guarantee the reliability of the information.

In this regard, numerous controls have been defined in Atresmedia's Risk Management and Control System related with the Internal Control over Financial Reporting (ICFR) system, that is periodically assessed by the organisational areas responsible for the ICFR.

**F.1.2. The following elements if they exist, especially with respect to the preparation of financial information:**

- Divisions and/or mechanisms entrusted: (i) design and review of the organisational structure; (ii) clear definition of the lines of responsibility and authority, with an adequate distribution of tasks and functions; and (iii) whether sufficient procedures exist for their correct implementation at the entity.

The organisational structure of the Atresmedia Group is proposed by the CEO when it affects the first executive level, and is approved by the Appointments and Remuneration Committee.

The Director Generals and the heads of each organisational unit/business unit define the organisation of the remaining executive levels and resources of each unit, in coordination with the Group's Corporate General Management (Human Resources area).

The organisational changes and, where appropriate, new employee recruitments, at top executive level, are notified to the whole organisation through specific email notices.

The lines of authority of the Atresmedia Group in the different processes for the preparation of financial information are shown in the organisation chart of the Group and of the different organisational areas/business units.

The Internal Audit and Process Control and Legal Advisory areas are responsible for defining the main processes, protocols and procedural steps at the Atresmedia Group, and for notifying them, subject to the supervision and

approval of the Regulatory Compliance Committee, to the whole organisation for compliance.

- Code of Conduct, approval body, degree of implementation and instruction, principles and values included (indicating whether specific mention is made of the register of transactions and the preparation of financial information), body entrusted with analysing breaches and proposing remedial and penalty measures.

The Code of Conduct forms part of Atresmedia's corporate responsibility and good governance policies, whose determination and ultimate tutelage corresponds to Atresmedia's Board of Directors.

In this regard, the Atresmedia Group's Code of Conduct was approved by the Board of Directors, subject to a review by the Regulatory Compliance Committee and the Audit and Control Committee. The Board of Directors is responsible for directing and supervising all matters related to effective compliance with this code, as well as for the obligation to adopt and implement the measures that may be necessary to align the Code with the rest of the regulatory and procedural elements of corporate governance, with which it shares the same values and objectives.

The Code of Conduct contains the general guidelines that should be followed by all the employees in the Atresmedia Group relating to basic principles of behaviour, relations with and between employees, internal control and prevention of fraud and commitment with the market, the Company and the community.

With respect to the preparation and publication of financial information, article 7.4.3 of the Code of Conduct stipulates Atresmedia's undertaking to provide informative transparency, understood to be the commitment to transmit reliable information to markets and to the Company, which permits them to form a true and fair view of its activities, strategy and economic, social and environmental performance. Likewise, it is bound to immediately broadcast any information that is relevant for investors, by applying the channels established by the CNMV.

This regulation stipulates that Atresmedia's employees must transfer the information in a true, integral and understandable manner. In no case, will they knowingly provide incorrect, untrue or imprecise information that may lead to errors on the part of the person receiving it. Likewise, the Code of Conduct includes the obligation to reflect all Atresmedia transactions clearly and accurately in the Company's accounting records. Specifically, all accounts must be correctly reflected in these records, together with the transactions performed and all the expenses incurred. In general, the Code stipulates that Atresmedia's employees will abstain from any practice that contravenes the undertaking to clearly and accurately reflect the transactions in Atresmedia's records, and will take special care in terms of the reliability of the information entered into Atresmedia's IT systems.

Likewise, in article 7.4 on Transparency and Confidentiality, it is stated that the obligation, and rigour in the processing of personal and business data constitutes necessary support to obtain a climate of mutual trust, through the adequate protection and reservation of the information held and of the permanent undertaking to inform customers, internal and external workers, the market and the Company in a complete, objective and true manner. It also stipulates that the deliberate falsification, manipulation and use of false information constitutes fraud.

The ultimate responsibility with regard to the interpretation and application of this Code of Conduct corresponds to the Regulatory Compliance Committee. This Committee is, inter alia, responsible for managing and supervising its compliance, for supporting the Internal Audit Division in the management of the Internal Control over Financial Reporting (ICFR) system, and for coordinating the management of the specific communication channel that was implemented at Atresmedia to receive the communications of employees in the areas relating to



the effective and correct integral application of all these regulations within the Group: Queries and Whistleblower Channel.

In the hierarchy, the Regulatory Compliance Committee is accountable to the Board of Directors, without affecting, where appropriate, the information that must be submitted to the Audit and Control Committee (for the matters that specifically relate to this Committee) or to the CEO (for matters related with management).

The Regulatory Compliance Director and Chairman of the Regulatory Compliance Committee will be appointed by the Board of Directors, upon the proposal of the Audit and Control Committee. He/she must fulfil the technical, professional and personal conditions that, where appropriate, are established by the legislation applicable to the post, and have adequate preparation and professional experience and hierarchical independence in the organisation of the Atresmedia Group.

Currently, the Atresmedia Group's Code of Conduct has been communicated to all Group employees through a specific notification for this purpose, in which all the main aspects thereof and the obligations that must be met by all the Group employees in relation to this Code were specified and explained. Likewise, this Code of Conduct was published on the corporate web page [www.atresmediacorporacion.com](http://www.atresmediacorporacion.com) and on the Group's Intranet, in the Regulatory Compliance and Control section, so that it may be consulted by any employee or third party related with the Group.

- [Whistleblower channel, which enables disclosure to the Audit Committee of irregularities of a financial and accounting nature, in addition to possible breaches of the Code of Conduct and irregular activities in the organisation notifying, where appropriate, whether the latter is of a confidential nature.](#)

The Atresmedia Group has set up a Queries and Whistleblower Channel that allows its employees to communicate, in a simple and confidential manner, those actions that, to their understanding, constitute conduct or actions that do not comply with the Code of Conduct or any other applicable regulations.

Likewise, this is the communication channel that can also be used to detect irregularities in the preparation of financial reporting; or to ascertain significant weaknesses in the Internal Control over Financial Reporting (ICFR) system; or in the prevention of situations of discrimination, harassment at work and sexual harassment and to report any other illegal conduct or any conduct that goes against Atresmedia's policies and values in any other way.

The Regulatory Compliance Committee is the collective body responsible for managing such channel. It is formed by:

- The Regulatory Compliance Director and Chairman of the Regulatory Compliance Committee, who is a duly qualified professional, with professional experience and prestige, independent from the Group's hierarchical and executive structure. This post is currently held by Mr. Pedro Ramón y Cajal Agüeras.
- Corporate Director General
- Financial Director
- Audit and Process Control Director
- Legal Advisory Services Director
- Director of Regulatory Matters and Institutional Relations

The Queries and Whistleblower Channel is monitored on an operational basis by the Regulatory Compliance Director and by the Criminal Compliance Head on a joint basis.

The Regulatory Compliance Committee must report regularly to the Audit Committee regarding those matters that have been identified and investigated through the Queries and Whistleblower Channel set up.

- [Training programmes and periodic updates for the personnel involved in the preparation and review of the financial information, and in the assessment of the Internal Control over Financial Reporting \(ICFR\) system, which cover at least accounting rules, audit, internal control and risk management.](#)

Periodically, the Atresmedia Group provides all employees involved in the preparation and review of the financial information with the necessary training to adequately carry out their functions. Said training is carried out through a series of training courses planned for this purpose.

All employee training plans are integrated within the Atresmedia Group's Training Plan, which is prepared and reviewed annually by the Human Resources Division, based on the general training objectives defined at Group level by each organisational area/business unit, depending on the specific training requests and needs identified.

In this regard, the areas most related with the Internal Control over Financial Reporting system, which are the Financial Division, the Internal Audit and Process Control Division and the Legal Advisory Services Division, have received a series of technical training courses related with accounting rules, risk management, tax rules, penal compliance, etc. which enabled them to update the knowledge required to ensure the correct functioning of the ICFR.

## F.2 [Evaluation of risks in financial reporting](#)

[Report regarding at least:](#)

[The main characteristics of the risk identification process, including those relating to errors or fraud, with regard to:](#)

[Whether the process exists and is documented.](#)

The Group currently has review mechanisms in place that reduce the risk that erroneous financial information is reported to the market. Consequently, a process does exist to identify reporting errors or fraud, but it is established with regard to each of the processes related with the Internal Control over Financial Reporting (ICFR) system. In this regard, all the processes that may have an effect on any of the Group's financial statement items were identified, establishing a scale of impacts for the most significant items of such financial statements. The processes identified with the greatest impact on the ICFR would be as follows:

- Advertising sales
- Outside production
- In-house production
- Billing and collections
- Purchases/ Expenses and payments
- Financial management
- Reporting: analysis of accounting, trading and reporting rules, preparation of individual financial statements, consolidation and preparation of consolidated financial statements.
- Corporate

For these processes, the risks associated therewith related with financial reporting, and an identification of the controls established to mitigate them were indicated. Accordingly, Atresmedia has developed a risk identification system in financial reporting and a series of controls enabling these risks related with the ICFR to be mitigated.

[Whether the process covers all the financial reporting objectives \(existence and occurrence; integrity, assessment, presentation, breakdown and comparability; and rights and obligations\), whether they are updated and with what frequency.](#)

Atresmedia has identified all the processes and organisational units that have an effect on the ICFR. The risks related with the ICFR are identified, and assigned to the corresponding processes and organisational units.

The Internal Control over Financial Reporting system (ICFR) of Atresmedia is included within the GRC System described in detail in section H -which refers to those risks and controls related with the preparation and publication of all the financial information.

Periodically, on an annual basis, a risk assessment is performed to detect the following errors:

- Cut-off
- Existence
  - Integrity
  - Presentation
  - Registration
  - Validity
  - Assessment

The controls identified for each of the risks related with the ICFR are classified on the basis of whether they are designed to prevent or detect errors and fraud in financial reporting. The controls are frequently assessed during the year.

To determine the importance and probability of the risk of releasing incorrect information with respect to financial reporting, the Atresmedia Group evaluates the following parameters:

- The complexity of the transactions and of the applicable rules
- The volume of transactions and the quantitative importance of the items affected
- The complexity of the calculations
- The need to use estimates or projections
- The enforcement of judgements
- The qualitative importance of the information

The existence of an identification process of the scope of consolidation, taking into account, among other aspects, the possible existence of complex corporate structures, holding companies or special purpose vehicles.

In the case of the Atresmedia Group, the companies forming the scope of consolidation for the consolidated financial statements of the Atresmedia Group are identified. However, a specific company identification process does not exist due to the absence of complexity in the Group's corporate organisation.

The process addresses other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) insofar as they may affect the financial statements.

Yes, they are integrated within the GRC System.

Whether the Entity's governing body supervises the process.

The ICFR is supervised by the Audit and Control Committee. To perform such supervision, it has the collaboration of the Regulatory Compliance Committee and, in particular, of the Financial Division and of the Internal Audit and Process Control Division, which have performed the identification work and assessed the risks associated with the ICFR.

### F.3 Control activities

Report highlighting their main characteristics, if they have at least:

- F.3.1. Review and authorisation procedures regarding financial reporting and description of the ICFR, to be published in the securities markets, indicating the persons in charge, and descriptive documentation of the activity and control flows (including those relating to fraud risk) of the different types of transactions that may materially affect the

financial statements, including the accounting close procedure and the specific review of the significant opinions, estimates, assessments and projections.

The GRC (Governance, Risks and Compliance) System includes and fully identifies a series of specific ICFR controls that have different heads charged with the preparation and supervision of all financial information.

These controls ensure that each of the heads must perform a series of control actions that ensure the global and integrated correction of all the information published at each time.

The Atresmedia Group has established a series of procedures for the preparation and review of the financial statements and the accounting close. The Financial Division has established a series of steps and procedures that must be complied with by the different department areas in order to perform the accounting close and prepare the financial statements.

Likewise, a series of Procedures and Protocols have been defined at Group level, which aim to minimise any risk related with the ICFR and ensure the published information. The main related procedures and protocols are as follows:

- Purchase management procedure for goods and services
- Customer management procedure: objections, insolvencies, freezing and unfreezing of customers
- Purchase Committee and Investment Committee procedure
- Delegation management procedure
- IT security procedure
- Approval and dispatch protocol regarding significant events to the CNMV
- Presentation protocol of financial results to the CNMV
- Preparation protocol of the telematic file and dispatch to the Mercantile Register of the Group companies' financial statements.

The review of the financial information is carried out by both senior management and by external and internal auditors and, in the last instance, by the Audit and Control Committee.

In addition, the control activities are mainly aimed at preventing, detecting, mitigating, compensating for, and correcting the potential errors or errors that have been discovered in adequate time before the reporting and publication of the financial information.

**F.3.2. Internal control policies and procedures on the information systems (among others, on access security, change control, the operation thereof, operating continuity and unbundling) which support the entity's relevant processes in relation to the preparation and publication of financial information.**

The Atresmedia Group implements part of the controls defined to mitigate the risks related with the ICFR, either by people responsible therefor and/or by semi-automatic controls performed by IT systems.

Many of the functions that support the relevant steps in the preparation of the financial information are semi-automated in the management and reporting systems – mainly SAP – implemented at the Group.

Likewise, a series of control and review procedures have been defined of all the information transfers between different Group management systems, guaranteeing correct integration in the transactional financial system-SAP.

On a monthly basis, all the information transfers between systems are specifically reviewed and are particularly reconciled in the event any incident arises in the automatic transfer of information between systems.

Controls have been designed and put in place regarding access and user profiles for the IT and communication systems that have an impact on the financial information and the accounting closes, which guarantee the security of access to data and programs, and control over changes, the correct operation of the changes and their continuity. An IT

security corporate policy exists which guarantees secure access to the management and reporting systems and monitors any error and/or problem that may appear.

Likewise, a policy involving profiles and the unbundling of functions has been defined, which is periodically reviewed by the Systems Division, the Financial Division and the Internal Audit Division.

F.3.3. [Internal control policies and procedures in place to supervise the management of activities subcontracted to third parties, and to monitor the evaluation, calculation and valuation activities of independent experts, which may have a material effect on the financial statements.](#)

The Atresmedia Group has defined a procedure to acquire goods and services, and a Purchase Committee, which regulates the arrangement of services with third parties. These controls ensure that independence exists with regard to the supplier hired and that the service is arranged at market prices.

Similarly, the Atresmedia Group has internal control policies and procedures in place to supervise the management of the activities subcontracted to third parties, and to monitor the evaluation, calculation and appraisal matters entrusted to independent experts, which may have a material effect on the financial statements.

F.4 [Information and communication](#)

[Report highlighting their main characteristics, if they have at least:](#)

F.4.1. [A specific function charged with defining, keeping accounting policies up to date \(accounting policies area or department\) and resolving doubts or conflicts arising from their interpretation, maintaining smooth communication with the organisation's heads of operations, and an updated accounting policies manual notified to the units through those operated by the entity.](#)

The Audit and Control Committee is the body charged with analysing, discussing and presenting the most significant accounting policies and methods. In the Atresmedia Group, these methods are mainly related with:

- The consumption of rights and programmes
- The registration of provisions for contingent liabilities
- The assessment of financial investments

Furthermore, all the regulatory changes relating to accounting, auditing and corporate risk management are communicated to the Audit and Control Committee by the Audit and Process Control Division and the Financial Division.

Both the external auditor and the Financial Division and the Internal Audit Division maintain constant and smooth communication that enables any accounting, tax or other novelty to be analysed that may have an impact on the financial statements, as well as any potential doubts to be anticipated and dispelled regarding accounting entries arising from the interpretation of accounting policies and methods.

F.4.2. [Mechanisms to capture and prepare financial information with homogeneous formats, applied and used by all the entity or group units, which support the main financial statements and notes, as well as the information provided on the Internal Control over Financial Reporting \(ICFR\) system.](#)

The Atresmedia Group has at its disposal the mechanisms to capture and prepare its financial information using homogeneous formats and applications, such as the SAP-R3 (Accounting) and FRANGO (Consolidation) applications that are used by all the units and subsidiaries of the Group.

Furthermore, the different business units use management systems that are integrated in SAP R3, in such a way that the dumping of information is performed via interfaces and clearly defined processes; the necessary controls are in place and the supervisory and review processes are carried out by the Group's Financial Division.

F.5 [Supervision of the functioning of the system](#)

[Report highlighting its main characteristics regarding at least:](#)

F.5.1. The ICFR supervision activities undertaken by the Audit Committee and an internal audit function the competencies of which include supporting the Audit Committee in its role of monitoring the internal control system, including the ICFR: Likewise, information will be provided on the scope of the evaluation of the ICFR system performed in the year and of the procedure whereby the person in charge of performing the assessment notifies his/her results, if the entity has an action plan detailing the possible remedial measures, and if their impact on financial reporting has been considered.

The Audit and Control Committee is the body responsible for the supervision of the policies and procedures, the preparation and integrity of the financial information, as well as for the adequate definition of the consolidation scope and the correct application of accounting principles.

The Internal Audit and Process Control area has been delegated, among others, the function of supervising the internal control system by the Audit and Control Committee. This area carries out periodic reviews of business cycles at Group and subsidiary level, and proposes corrective action plans that are communicated to the Atresmedia Group's Senior Management and to the Audit and Control Committee.

F.5.2. State whether a discussion procedure exists whereby the auditor (pursuant to TAS), the internal audit function and other experts can report any significant internal control weaknesses encountered during their review of the financial statements or other assignments to the Company's senior management and its Audit Committee or Board of Directors: Likewise, information will be provided as to whether an action plan exists to endeavour to correct or mitigate the weaknesses observed.

The external accounts auditor, the Financial Division and the Internal Audit and Process Control Division meet in accordance with the meetings' schedule established and/or if any relevant matter exists, with the Audit and Control Committee and informs it of the main aspects detected in the review area and of the functions commissioned to each of these divisions.

The Audit and Process Control Division has periodically informed the Audit and Control Committee about the evolution and progress of the action plans to be implemented progressively in relation to the ICFR.

#### F.6 Other significant information

No.

#### F.7 External auditors' report

Report on:

Whether the information on the ICFR submitted to the markets was presented for review by the external auditor, in which case, the entity should include the corresponding report as an appendix. Otherwise, it should state why.

The ICFR information has not been submitted with respect to the external auditors' report. However, the external auditor has access to the Group's Risk and Control System and accordingly, to all the ICFR mechanisms, and may assess its functioning to the extent required for its audit work and to obtain its conclusions.

### DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the degree of Company compliance with the Code of Best Practice recommendations for listed companies:

In the event a recommendation is not followed or is only followed partially, a detailed explanation should be included of the motives in order that the shareholders, investors and the market in general have sufficient information to assess the Company's line of action. Explanations of a general nature will not be acceptable.

1. The Articles of Association of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the Company by means of share purchases on the market.

Complies

2. 2. When a parent and a subsidiary are publicly traded, the two should provide detailed disclosures on:
  - a) The type of activity they engage in, and any possible business dealings between them, as well as between the listed subsidiary and the other Group companies;
  - b) The mechanisms in place to resolve possible conflicts of interest.

Not applicable.

3. During the Ordinary General Shareholders' Meeting, to supplement the written publication of the Annual Corporate Governance Report, the Chairman of the Board of Directors must verbally inform the shareholders, in sufficient detail, of the most significant aspects of the Company's corporate governance, and in particular:
  - a) Of the changes that have taken place since the previous General Shareholders' Meeting
  - b) Of the specific reasons why the Company does not follow any of the Code of Best Practice recommendations and, if any, the alternative rules applicable in this area.

Complies

4. The Company should define and promote a communication and contact policy with shareholders, institutional investors and voting advisers that fully respects the rules against market abuse and provides a similar treatment to the shareholders in the same position.

And the Company should disclose such policy through its web page, including information relating to the manner in which such policy is implemented and identifying the intermediaries or people in charge of executing it.

Complies

5. The Board of Directors should not submit a delegation of authority proposal to the General Shareholders' Meeting to issue convertible shares or securities excluding pre-emptive subscription rights, for an amount exceeding 20% of capital at the date of delegation.

And when the Board of Directors approves any issue of convertible shares or securities excluding pre-emptive subscription rights, the company should immediately publish on its web page the reports on such exclusion referred to in commercial law.

Complies

6. The listed companies that prepare the reports mentioned below, be it on a compulsory or voluntary basis, must publish them on their web page sufficiently in advance of the Ordinary General Shareholders' Meeting, even if such publication is not obligatory:
  - a) Report on auditor independence.
  - b) Reports on the functioning of the Audit Committee and the Appointments and Remuneration Committee.
  - c) Audit Committee report on related party transactions.
  - d) Corporate social responsibility policy report.

Complies partially Explain

In its strictly formal aspects the Company only partially complies with this Recommendation, since it prepares and publishes all the reports mentioned therein, but not all of them are published on the web page in an unbundled manner. However, with regard to the material duty of disclosure involved in the Recommendation, the degree of Atresmedia's compliance is deemed to be total.

Accordingly, together with the announcement of the Ordinary General Shareholders' Meeting, the reports on sections b) and d) are published on the web page, but not those of sections a) and c).

To date, the Company has not considered it necessary since the same information that is included in these reports also appears in detail in the notes to both the individual and consolidated financial statements. In the Company's opinion, this is the most adequate context to inform the shareholder of the independence of the external auditor that audits the financial statements and of the details of the related party transactions, as a further aspect in the Company's ordinary management. However, Atresmedia will continue to assess this publication possibility in the specific manner established by the Recommendation, critically reviewing its own stance, and taking the practices of other listed corporations as reference.

7. [The Company must transmit the holding of general shareholders' meetings live on its web page.](#)

Explain

The progressive implementation of technical means aimed at increasing the level of participation of Company shareholders at the General Meeting, be it directly or remotely, such as the shareholder forum or remote voting, generated marginal, almost zero participation which, on the other hand, is in keeping with the scant number of attendees at the General Meeting. The Company considers that all of this is due to the specific breakdown of Atresmedia's shareholder structure, and also to the extraordinary level of notoriety and additional information (in all aspects) as a result of the Company's status as a communication group, with a constant presence in the media.

Accordingly, the expected interest in holding Atresmedia's General Meeting is objectively less than that of other listed companies (with more shareholders and an exceptional media presence). All the information on events at the General Meeting is subsequently published on the corporate web page. Such information is available in full, is easy to access and may be downloaded without any restrictions or limitations: speeches, quorums, votes, full resolution proposals, financial statements, reports, etc.

8. [The Audit Committee should oversee that the Board of Directors endeavours to present the annual accounts to the General Shareholders' Meeting without reservations or qualifications in the auditors' report. In the exceptional cases in which qualifications exist, both the Chairman of the Audit Committee and the auditors should give a clear account to shareholders of the scope and content of such qualifications and restrictions.](#)

Complies

9. [On an on-going basis, the Company must publish the requirements and procedures it considers acceptable to accredit ownership of shares, the right to attend the General Shareholders' Meeting and the exercise or delegation of the voting right.](#)

[And such requirements and procedures must favour attendance and the exercise of its rights vis-à-vis shareholders, and be applied in a non-discriminatory manner.](#)

Complies

10. [When any legitimate shareholder has exercised, before the General Shareholders' Meeting has been held, the right to complete the agenda or to submit new proposed resolutions, the Company must:](#)

- a) [Immediately publish such supplementary points and new proposed resolutions.](#)
- b) [Publish the specimen attendance card or proxy or remote voting form with the modifications required so that the new points on the agenda and alternative proposals under the same terms as those proposed by the Board of Directors can be voted upon.](#)



- c) Submit all these points or alternative proposals to vote, applying the same voting rules as those prepared by the Board of Directors, including in particular, the presumptions or deductions regarding the voting outcome.
- d) After the General Shareholders' Meeting, notify the voting breakdown on such supplementary points or alternative proposals.

Complies

- 11. If the Company intends to pay attendance fees to the General Shareholders' Meeting, it should establish a general policy in advance regarding such fees, which must be stable.

Not applicable.

- 12. The Board of Directors performs its functions with a single purpose and independent criteria, grants the same treatment to all shareholders in the same position and is guided by corporate interest, understood to be the attainment of a business that is profitable and sustainable at long term, which promotes its continuity and maximises the Company's economic value.

Complies

- 13. The Board of Directors should have the correct size to achieve maximum effectiveness and participation, thereby ideally comprising between five and fifteen members.

Complies

- 14. The Board of Directors should approve a director selection policy that:

- a) Is specific and verifiable.
- b) Ensures that the appointment or re-election proposals are based on a preliminary analysis of the Board of Directors' needs.
- c) Favours diversity of knowledge, experiences and gender.

The findings of the preliminary analysis of the Board of Directors' needs are included in an explanatory report published by the Appointments Committee upon announcement of the General Shareholders' Meeting, which deliberates on the ratification, appointment or re-election of each director.

This policy of selecting directors promotes the objective that in 2020 the number of female directors represents at least 30% of total Board members.

The Appointments Committee will verify compliance with the directors' selection policy on a yearly basis and inform upon it in the Annual Corporate Governance Report.

Complies

- 15. Significant-shareholder appointed and independent directors should occupy an ample majority on the Board, while the number of executive directors should be the minimum required given the complexity of the corporate group and the ownership interests held by such directors in the Company.

Complies

- 16. The percentage of significant-shareholder appointed directors with respect to total non-executive directors should not exceed the proportion between the capital represented on the Board by such directors and the remainder of the Company's capital.

This criteria can be limited to:

- a) Large cap companies in which few equity stakes attain the legal threshold for significant shareholdings.

b) Companies with a plurality of shareholders represented on the Board but not otherwise related.

Complies

17. The number of independent directors should represent at least half of all Board members.

However, when the company is not a large cap company or, even if it is, it has one or various shareholders acting in agreement, that control more than 30% of share capital, the number of independent directors should represent at least a third of all directors.

Explain

To comply with this Recommendation, and taking into account the fact that the Company finds itself in the scenario envisaged in the second paragraph (since there is a shareholder that permanently controls more than 30% of share capital), there must be at least 4 independent directors, out of a total of 12, and there are currently 3.

The Company's appointment policy for directors -promoted by the Appointments and Remuneration Committee and backed by the Board of Directors- focuses on progressively increasing the number of independent directors, and on compensating, as far as possible, the lower number of female directors, taking as reference the positive law rules in force and the Recommendations of the Code. Without prejudice to the foregoing, this adjustment in the Board's structure must also be adapted to an adequate proportion of significant-shareholder appointed directors (based on the participation of significant shareholders in the share capital) and of executive directors, which are the strictly essential directors.

18. Companies should publish the following director particulars on their website and keep them permanently updated:

- a) Professional experience and background.
- b) Other boards of directors to which they belong, be they listed companies or otherwise, and other remunerated activities performed by them, whatever their type.
- c) An indication of the director's category to which they belong; in the case of significant-shareholder appointed directors, state the shareholder they represent or with which they are related.
- d) The date of their first appointment and subsequent re-elections as a Company director.
- e) Shares held in the Company together with any options thereon.

Complies

19. The Annual Corporate Governance Report, upon verification by the Appointments Committee, should explain the reasons for the appointment of significant-shareholder appointed directors at the request of shareholders controlling less than 3% of capital; and explain any rejection of a formal request for a Board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a significant-shareholder appointed directorship.

Complies

20. Significant-shareholder appointed directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to significant-shareholder appointed directors, the number of such significant-shareholder appointed directors should be reduced accordingly.

Complies

21. The Board of Directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the Articles of Association, except where just cause is found by the Board, based on a report from the Appointments Committee. In particular, just cause will be deemed to exist when the director occupies new posts or assumes new obligations preventing him/her from

devoting sufficient time to performing director functions, when he/she breaches the duties inherent in his/her post or any of the circumstances arise causing him/her to lose his/her status as independent director, in accordance with that stipulated in the applicable legislation.

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate operation produces changes in the Company's capital structure, in order to meet the proportionality criterion set out in Recommendation 16.

Complies

22. Companies should establish rules obliging directors to inform the Board of any circumstance that might undermine the organization's name or reputation, tendering their resignation as the case may be, with particular mention of any criminal charges brought against them and the progress of any subsequent proceedings.

The moment a director is indicted or tried for any of the crimes stated in corporate legislation, the Board should examine the matter as soon as possible, and in view of the particular circumstances, decide whether or not he or she should be called on to resign. The Board should also justify all such determinations in the Annual Corporate Governance Report.

Complies

23. All directors should express clear opposition when they feel a proposal submitted for the Board's approval might damage the Company's interest. In particular, independent and other directors unaffected by the potential conflict of interest should challenge any decision that could go against the interests of shareholders lacking Board representation.

When the Board makes material or reiterated decisions with respect to which a director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next Recommendation.

This Recommendation should also be addressed to the Secretary to the Board, whether he/she is a director or otherwise.

Complies

24. Directors who leave their post before their tenure expires, through resignation or otherwise, should state their reasons in a letter sent to all Board members. Whether or not such resignation is filed as a significant event, the reasons behind the cessation must be explained in the Annual Corporate Governance Report.

Complies

25. The Appointments Committee must ensure that the non-executive directors have sufficient time to correctly carry out their duties.

The Board regulations should lay down rules about the maximum number of directorships at other companies that their Board members can hold.

Complies partially Explain:

Upon exercising its supervision functions, the Appointments and Remuneration Committee ensures that the non-executive directors meet the necessary requirements to carry out their duties, which include the requirement to have sufficient time to perform their tasks.

The Company considers that the number of boards on which each director sits is not in itself a significant indicator to measure his/her dedication, bearing in mind that it is possible to sit on a wide array of boards, and that in each case, a different degree of attention and work may be required. Therefore, it has been deemed unnecessary to place a general imperative limit on the number of boards on which directors can sit. This question should remain within the scope of decision and personal responsibility of each director, and has no bearing on the supervisory tasks of the Appointments and Remuneration Committee or on the information that must be provided by the

director for this Committee to effectively comply with its supervision tasks of his/her professional disposition.

26. The Board should meet with the necessary frequency to properly perform its functions, at least eight times per year, in accordance with a calendar and agenda set at the beginning of the year, to which each director may propose the addition of other items not initially foreseen.

Complies

27. Director absences should be kept to the bare minimum and be quantified in the Annual Corporate Governance Report. And when directors have no choice but to appoint a proxy, they should do so with instructions.

Complies

28. When directors or the secretary express concerns about a proposal or, in the case of directors, about the Company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minutes book at the request of the person raising such issues.

Complies

29. The Company should provide suitable channels for the directors to obtain specific counselling to comply with their functions, extending in special circumstances to external advisory services at the Company's expense.

Complies

30. Regardless of the knowledge required by the directors to exercise their functions, the companies should also offer the directors knowledge update programmes when the circumstances so advise.

Complies

31. The agenda should clearly indicate those points on which the Board of Directors must adopt a decision or resolution so that the directors can study or assemble in advance the specific information required for their adoption.

When exceptionally, for urgent reasons, the Chairman wishes to submit decisions or resolutions to the approval of the Board of Directors that did not appear on the agenda, he/she must obtain the prior express consent of the majority of the directors in attendance, which must be detailed in the minutes.

Complies

32. The directors must be periodically informed of the variations in the shareholder structure and of the opinion of the significant shareholders, investors and rating agencies on the Company and on its Group.

Complies

33. The Chairman, as the person tasked with the effective functioning of the Board of Directors, aside from exercising the functions legally and statutorily assigned to it, must prepare and submit to the Board of Directors a programme of dates and matters to be dealt with, organise and coordinate the Board's periodical assessment and that of the company's CEO; be responsible for Board management and the effectiveness of its functioning; ensure that there is sufficient time to discuss strategic matters, and agree and review the knowledge update programmes for each director, when the circumstances so advise.

Complies

34. When a coordinating director exists, aside from the powers granted to him/her by Law, the Articles of Association and the Board of Directors' Regulations attribute the following powers to him/her: to chair the Board of Directors in the absence of the Chairman and Vice-Chairs, if any; to give voice to the concerns of non-executive directors; to maintain contacts with investors and shareholders to

ascertain their viewpoints in order to form an opinion on their concerns, in particular, regarding corporate governance of the Company; and to coordinate the Chairman's succession plan.

Not applicable.

35. The Secretary to the Board of Directors should specifically oversee that the Board of Directors' procedures and decisions include the recommendations on good governance contained in this Code of Best Practice applicable to the Company.

Complies

36. The Board of Directors' plenary session must perform an annual assessment and adopt, where appropriate, an action plan that remedies any shortcomings detected with respect to:
- a) The quality and efficiency of the Board's functioning;
  - b) The functioning and breakdown of its committees.
  - c) Diversity in the breakdown and competences of the Board of Directors.
  - d) The performance of the Chairman of the Board of Directors and of the Company's CEO.
  - e) The performance and contribution of each director, paying special attention to the heads of the different Board committees.

The assessment of the different committees will be based on the report submitted by them to the Board of Directors; the assessment of the Board of Directors will be based on that submitted to it by the Appointments Committee.

Every three years, the Board of Directors will be aided in its assessment by an external consultant, the independence of which will be verified by the Appointments Committee.

The business relationships that the consultant or any of its group companies hold with the Company or any of its Group companies must be broken down in the Annual Corporate Governance Report.

The process and the areas assessed will be described in the Annual Corporate Governance Report.

Complies partially Explain:

The Recommendation is complied with in relation to the annual evaluation of the Board and of its committees, but no decision has been adopted on the possible involvement of an external consultant to assess such report. In recent years, the Company has been carrying out this evaluation through an internal system, supervised by the Appointments and Remuneration Committee, with the direct personal involvement of all directors. Such system is led by the Chairman and coordinated by the Secretary to the Board of Directors, which intervenes as guarantor of its technical suitability, confidentiality and integrity. The procedure is subject to on-going improvements, adapted each year to the new legal requirements and to the common practices at collective management bodies of similar quantitative and qualitative characteristics. The outcome of the evaluation enabled directors' opinions to be known on all key organisation and operational matters. It also permitted improvable aspects to be detected and remedial measures to be decided and implemented with regard to these weaknesses or limitations, which are included each year in the related action plan.

37. When the Company has an Executive Committee, the breakdown of its members by director category should be similar to that of the Board itself. The Secretary to the Board should also act as secretary to the Executive Committee.

Complies partially Explain:

The proportionality criterion is not complied with on the Executive Committee, since none of its members are independent directors. The breakdown of the management bodies and the different types of its members is determined by the composition of Atresmedia's shareholder structure, with a significant concentration of ownership of voting and dividend rights in two significant shareholders, who are proportionally represented on that Executive Committee, together with the executive

directors. The latter provide their direct knowledge on the Group's management with respect to all material executive matters.

The common purpose of this Executive Committee within the Company is mainly to deliberate and reflect, analyse and support the Board of Directors. Therefore, it does not assume executive functions of any type, nor does it exercise delegated powers, not even on a complementary basis with the Board of Directors, except in specific exceptional circumstances that are subsequently expressly ratified by the Board of Directors itself. Accordingly, there is no substitution, not even complementary, of the Board's actual control activity which, in fact, is the common preferential body to govern the Company, both with respect to ordinary and extraordinary matters. In this same regard, it must be highlighted that the meetings of the Executive Committee coincide with those of the Board itself, in most cases, but the Executive Committee meetings always take place first, the content of which is immediately notified by the Chairman to the plenary session of the Board of Directors.

The Secretary to the Board is also the Secretary of the Executive Committee.

38. The Board should always be kept fully informed of the business transacted and the decisions adopted by the Executive Committee. To this end, all Board members should receive a copy of the Committee's minutes.

Complies

39. Audit Committee members, particularly the Chairman, are appointed in light of their knowledge and experience of accounting, audit or risk management, and the majority of such members must be independent directors.

Complies partially Explain:

Complied with in full, except with respect to the majority of its members being independent. However, it is expected that the required resolutions will be adopted in 2016 by the General Shareholders' Meeting for the corresponding amendment of the Articles of Association, thereby guaranteeing the full monitoring of this Recommendation, whose content must be complied with in accordance with article 529 quatercedies, which will enter into force in June 2016, amended by Audit Law 22/2015, of 20 July.

40. A unit must exist that assumes an internal audit function, under the supervision of the Audit Committee, to ensure the proper operation of internal control and reporting systems, which functionally depends on the Non-executive Chairman of the Board or on that of the Audit Committee.

Complies

41. The unit head that assumes the internal audit function should present an annual work programme to the Audit Committee; report to it directly on any incidents arising during its implementation; and submit an activities report at the end of each year.

Complies

42. The Audit Committee should have the following functions in addition to those stated by Law:

1. With respect to internal control and reporting systems:

- a) To supervise the process of drawing up the financial information and its integrity for the Company and its Group, where appropriate, reviewing compliance with regulatory requirements, the suitable scope of the consolidation perimeter and the correct application of accounting principles.
- b) Oversee the independence of the unit that assumes the internal audit functions, propose the selection, appointment, re-election and termination of the head of the internal audit service, as well as the budget for the service, approve the guidance service and its work plans, ensuring that its activity is focused mainly on the Company's significant risks; receive

periodical information with regard to its activities; and verify that senior management takes into consideration the conclusions and recommendations of its reports.

- c) Establish and supervise a mechanism whereby staff can report, confidentially and, if possible and appropriate, anonymously, any irregularities, in particular of a financial or accounting nature, with potentially serious implications for the firm.

2. With respect to the external auditor:

- a) The Committee should investigate the issues giving rise to the resignation of any external auditor.
- b) Oversee that the external auditor's remuneration for its work does not compromise its quality or independence.
- c) Supervise that the Company notifies any change of auditor to the CNMV as a significant event, accompanied by a statement on the possible existence of any disagreements arising with the outgoing auditor and the reasons therefor, if any.
- d) Ensure that the external auditor annually holds a meeting with the plenary session of the Board of Directors to inform it of the work performed and of the evolution of the accounting situation and Company risks.
- e) Ensure that the Company and the external auditor comply with the regulations in force concerning the provision of services other than auditing services, the limits in regard of the auditor's business concentration and, in general, any other rules aimed at ensuring the auditor's independence.

Complies partially Explain:

The Company complies with all the Recommendations except section 2 d), since it was not considered necessary for the external auditor to inform the plenary session of the Board of Directors of the work performed and of the evolution of the Company's accounting situation and risks. However, the external auditor is convened whenever necessary, but always on a periodical basis and at least twice a year, by the Audit and Control Committee, which is the body specialised in this area, with the concomitant advantages in terms of its technical ability and availability to analyse the matters falling under its competency with greater devotion and thoroughness and fewer time restraints. On a complementary basis, the Chairman of the Audit and Control Committee personally informs the Board of Directors of these matters previously notified by the external auditor. The minutes of the Audit and Control Committee meetings are sent to all the directors, thereby guaranteeing that they have in-depth knowledge of the work they perform, and that they have the required information to study and critically assess their work and consider, where appropriate, the additional documentation, analysis or direct information requirements.

- 43. The Audit Committee should be empowered to meet with any Company employee or manager, even ordering their appearance without the presence of another senior officer.

Complies

- 44. The Audit Committee should be informed of the structural and corporate amendment procedures the Company plans to implement for analysis, and preliminary report to the Board of Directors on its economic conditions and accounting impact and, especially, where appropriate, on the proposed share equation.

Complies

- 45. The risk management and control policy should specify at least:

- a) The different types of risk, financial and non-financial (including operational, technological, legal, social, environmental, political and reputational) to which the Company is exposed, with the

inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.

- b) The setting of the level of risk considered acceptable by the Company.
- c) The measures established to mitigate the impact of the risks identified, should they materialise.
- d) The internal control and reporting systems used to control and manage the aforesaid risks, including contingent liabilities and off-balance sheet risks.

Complies

46. Under the direct supervision of the Audit Committee or, where appropriate, of a specialised committee of the Board of Directors, an internal control and risk management function exists exercised by a unit or internal department of the Company to which the following functions have been expressly attributed:
- a) Ensure the sound functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all important risks affecting the Company.
  - b) Actively participate in the preparation of the risk strategy and in the important decisions on its management.
  - c) Oversee that the risk management and control systems adequately mitigate the risks in the framework of the policy defined by the Board of Directors.

Complies

47. Members of the Appointments and Remuneration Committee –or of the Appointments Committee and the Remuneration Committee if they are separate– should be appointed endeavouring to ensure that they have the knowledge, aptitudes and experience adapted to the functions they are being called on to exercise, and the majority of such members must be independent directors.

Complies

48. Large cap companies must have separate appointments and remuneration committees.

Not applicable.

49. The Appointments Committee should consult with the Chairman of the Board of Directors and the Company's Chief Executive Officer, especially on matters relating to executive directors.

Any Board member may suggest the potential directorship candidates it deems appropriate to the Appointments Committee for its consideration.

Complies

50. The Remuneration Committee should exercise its functions independently, and in addition to those attributed by Law, it has the following duties:
- a) To propose the basic conditions of the senior executive contracts to the Board of Directors.
  - b) To oversee compliance with the remuneration policy set by the Company.
  - c) To periodically review the remuneration policy applied to directors and senior executives, including the remuneration systems with shares and their application, and to guarantee that their individual remuneration is in proportion to that paid to the remaining directors and senior executives of the Company.
  - d) To ensure that potential conflicts of interest do not affect the independence of the external advisory services provided to the Committee.
  - e) To verify the information on the remuneration of directors and senior executives contained in the different corporate documents, including the Annual Directors' Remuneration Report.



Complies

51. The Remuneration Committee shall consult with the Company Chairman and the Chief Executive Officer, especially with respect to matters related to executive directors and senior executives.

Complies

52. The rules governing the breakdown and operations of the supervision and control committees should be included in the Board of Directors' Regulations and comply with those applicable to the legally obligatory committees in line with the foregoing recommendations, including:
- a) These committees should be formed exclusively of non-executive directors with a majority of independent directors.
  - b) Committees should be chaired by an independent director.
  - c) The Board of Directors should appoint the members of such committees in line with the knowledge, aptitudes and experience of its directors and the undertakings of each committee; discuss their proposals and reports; and report on their activities and on the work performed at the first Board plenary following their meeting.
  - d) The committees should engage external advisers, when they feel this is necessary to discharge their duties.
  - e) Meeting proceedings should be minuted and a copy sent to all Board members.

Not applicable.

53. Supervision of compliance with the corporate governance rules, the internal codes of conduct and of the corporate social responsibility policy should be attributed to one or distributed among various Board committees that may comprise the Audit Committee, the Appointments Committee, the Corporate Social Responsibility Committee, and where appropriate, a specialised committee that the Board of Directors, upon exercising its self-organisation powers, decides to create for this purpose, to which the following minimum functions are specifically attributed:
- a) Supervision of compliance with the Company's internal codes of conduct and corporate governance rules.
  - b) Supervision of the communication strategy and relationship with shareholders and investors, including small- and medium-sized shareholders.
  - c) Periodic assessment of the adaptation of the Company's corporate governance system, to comply with its mission of promoting social interest and taking into account, where appropriate, the legitimate interests of the remaining groups of interest.
  - d) Review of the Company's corporate responsibility policy, ensuring that it is aimed at creating value.
  - e) Monitoring of the corporate social responsibility strategy and practice and assessment of the extent to which it is complied with.
  - f) Supervision and assessment of the relationship processes with the different groups of interest.
  - g) The assessment of everything related to the Company's non-financial risks - including operating, technological, legal, social, environmental, political and reputational risks.
  - h) Coordination of the reporting process of non-financial information and on diversity, in accordance with the applicable regulations and the international benchmark standards.

Complies

54. The corporate social responsibility policy should include the principles and commitments assumed voluntarily by the Company in its relationship with the different groups of interest and identify at least:

- a) The objectives of the corporate social responsibility policy and the development of support instruments.
- b) The corporate strategy related with sustainability, the environment and social matters.
- c) The specific practices in matters related with: shareholders, employees, clients, suppliers, social issues, environment, diversity, tax liability, human rights and the prevention of illegal conduct.
- d) The monitoring methods or systems for the results of the application of specific practices indicated in the foregoing letter, the associated risks and their management.
- e) The supervision mechanisms for non-financial risk, ethics and business conduct.
- f) Communication, participation and dialogue channels with the groups of interest.
- g) Responsible communication practices avoiding informative manipulation and protecting integrity and honour.

Complies

55. In a separate document or in the directors' report, the Company must notify the matters related with corporate social responsibility, using some of the internationally accepted methodologies in this regard.

Complies

56. Directors' remuneration must be sufficient to attract and retain directors with the desired profile and to remunerate the devotion, eligibility and responsibility demanded by the post, but not so high as to compromise the independent judgement of the non-executive directors.

Complies

57. Executive directors should only be paid variable remuneration tied to Company and personal performance, as well as that comprising the delivery of shares, share options or rights on shares or instruments linked to share value and long-term savings systems such as pension plans, retirement systems or other social welfare systems.

The delivery of shares can be considered as remuneration to non-executive directors when they are obliged to retain them until the end of their tenure. The foregoing will not apply to shares the director must dispose of, where applicable, to meet the costs related with their acquisition.

Explain:

Atresmedia Corporación's remuneration policy envisages the payment of variable remuneration - tied to the Group's economic results or to the director's personal performance- to executive and non-executive directors, provided that they perform significant functions in the Company's interests or are advisers of the Atresmedia Group, with an outstanding regular professional relationship. In 2015, the Ordinary General Shareholders' Meeting approved this remuneration policy, which was included in the Annual Directors' Remuneration Report, by a consultative vote, and it will remain in force until 2017, unless expressly amended.

In this regard, it should be indicated that the exceptional professional profile of certain Atresmedia directors is especially suitable -and objectively irreplaceable- to perform specific tasks or regular activities for the Company's benefit, especially in the audiovisual or regulatory advisory, institutional relationship and publishing strategy areas, and with respect to representation before public authorities, groups of interest and business associations, etc. The criteria of the current remuneration policy is that this exceptional devotion also justifies adequate varied remuneration, whose transparency is guaranteed through the information supplied in the Annual Remuneration Report. Such information is in line with the importance of the work effectively performed by the director for the Company's benefit and, where appropriate, it also responds to the measurement of personal performance and the advantages thereof for Atresmedia.

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the Company's sector, or other similar circumstances of this kind.

And, in particular, variable remuneration components must:

- a) Be linked to performance criteria that may be pre-determined and measurable and that such criteria consider the risk assumed to obtain a result.
- b) Promote the sustainability of the Company and include non-financial criteria adapted to create long-term value, such as compliance with the Company's internal procedures and rules and its risk control and management policies.
- c) Be devised on the basis of a balance between meeting short-, medium- and long-term objectives, enabling ongoing diligence to be remunerated over a sufficient period of time to appreciate its contribution to the sustainable creation of value, so that the elements measuring such performance do not solely revolve around specific, occasional or extraordinary events.

Complies

59. Payment of a significant part of the remuneration's variable components should differ for a sufficient minimum period of time to verify that the previously established performance conditions have been complied with.

Complies

60. Deductions should be made to remuneration linked to Company earnings, for any qualifications stated in the external auditor's report that reduce such earnings.

Complies

61. The significant percentage of variable remuneration of the executive directors is tied to the delivery of shares or financial instruments linked to their value.

Explain:

Atresmedia Corporación's Articles of Association also foresee that, subject to approval by the General Shareholders' Meeting, directors' remuneration may consist (aside from and regardless of other remuneration items) of the delivery of shares or share options thereon, and of remuneration that is linked to the value of Company shares.

To date, the Board of Directors has not submitted this type of remuneration to the approval of the General Shareholders' Meeting.

However, in 2015, the General Shareholders' Meeting adopted a resolution relating to the authorisation to purchase treasury shares that expressly states that own shares can be earmarked to beneficiaries of future remuneration plans or that they are the result of the exercise of share options benefiting Company workers, employees or directors.

One of the short-term objectives of the Appointments and Remuneration Committee is to reflect on the appropriateness of implementing future remuneration mechanisms with these characteristics. The analysis of the different alternatives is already highly advanced, aided by external advisers specialised in the area. In the event the Company ultimately opts for such remuneration mechanisms, highly frequent in similar companies, it would have to amend its current remuneration policy but not its Articles of Association, since said remuneration system is, as previously indicated, expressly included in such Articles of Association. Nor would it be necessary, at least at the beginning, to adopt any resolution in relation to the Company's own shares tied to the execution of such policy, since the current resolution of the General Shareholders' Meeting offers formal adequate and sufficient coverage to be able to design and execute a remuneration plan for directors that involves the delivery of shares or financial instruments tied to their value.

62. Once the shares or related share options or rights have been allocated to the remuneration systems, directors cannot transfer the ownership of a number of shares equivalent to two times their fixed

annual remuneration, nor can they exercise the options or rights until at least three years have elapsed since they were allocated.

The foregoing will not apply to shares the director must dispose of, where applicable, to meet the costs related with their acquisition.

Not applicable.

63. Contractual agreements must include a clause enabling the Company to claim the refund of the remuneration's variable components when payment has not been adjusted to performance conditions or when they have been paid in line with data the inaccuracy of which is subsequently accredited.

Complies

64. Payments for termination of the agreement do not exceed an established amount equivalent to two years' total annual remuneration, which is not paid until the Company has been able to verify that the director has complied with the previously established performance criteria.

Complies

## **H** OTHER INFORMATION OF INTEREST

1. Please briefly detail any significant matter existing with respect to corporate governance at the Company or at Group entities not included in the other sections of this report, but which is required to include more complete, founded information on the Entity or Group's governance practices and structure.

2. This section may include any other disclosure, clarification or qualification in relation with the previous sections of the report, insofar as they are significant and not repeated.

Specifically, indicate whether the Company is subject to legislation other than Spanish legislation in the area of corporate governance and, where appropriate, include the information that must be provided that is different from that required in this report.

1 and 2 See Appendix to this section.

3. The Company may also indicate whether it has voluntarily adhered to other codes of ethical principles or good practices, be they international, sectoral or of another scope. Where appropriate, the code in question will be identified, together with the compliance date. In particular, state whether the Company has complied with the Best Tax Practices Code, dated 20 July 2010.

The Company has voluntarily complied with various sectoral self-regulation codes.

The main codes complied with include most notably:

- Code of Conduct on Gaming Activity Commercial Communication (2012)
- PAOS: Self-Regulation Code on the Advertising of Foodstuffs aimed at Minors, the Prevention of Obesity and Health (inclusion of television operators in 2010).
- Self-Regulation Code on the Advertising of Children's Toys (modified in 2010)
- Self-Regulation Code on the Advertising of Brewers in Spain (2009)
- Self-Regulation Code on Wine (2009)
- Spanish Federation of Spirit Drinks (FEBE): Self-Regulation Code of the Spanish Federation of Spirit Drinks (FEBE) (2006)

The Company does not comply with the Best Tax Practices Code but it has a corporate tax policy that has been approved by the Board of Directors and a Procedural Protocol regarding Particularly Significant Tax Transactions, approved by the Regulatory Compliance Committee, which includes the best tax practices and principles applied by Atresmedia in this area.

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This Annual Corporate Governance Report was approved by the Company's Board of Directors at its meeting on 24 February 2016.

Indicate whether any directors have voted against or abstained with respect to the approval of this Report.

Yes

No

## APPENDIX SECTION H

### A.2

UFA FILM UND FERNSEH GMBH, the direct owner of shares of ATRESMEDIA CORPORACIÓN is controlled by BERTELSMANN, A.G. through its subsidiary RTL GROUP, S.A. pursuant to article 4 of the Securities Market Law.

PLANETA CORPORACIÓN controls the PLANETA DE AGOSTINI GROUP, pursuant to article 4 of the Securities Market Law.

### A.3

According to the public information available, on 25 March 2015, IMAGINA MEDIA AUDIOVISUAL, S.L. (IMAGINA) arranged a collar with an international financial institution and guaranteed its obligations with a pledge on 8,160,294 shares of ATRESMEDIA, representing 3.615 % of the Company's voting rights. Imagina reserves the right to request at any time, for the purposes of exercising the voting and dividend rights inherent to such shares, that the pledged shares be returned, binding the bank to strive to return them.

In line with such expectations, Imagina requested the return of 1,212,770 of the pledged shares in order to receive an interim dividend out of 2015 profit, approved by the Board of Directors, which placed it at 31 December 2015 in the share position reflected in section A.3, which represents 4.148% of the voting rights of ATRESMEDIA CORPORACIÓN. See CNMV notification no. 2015143008 of 18 December 2015.

Later, on 05 January 2016, Imagina returned these same 1,212,770 shares of ATRESMEDIA (CNMV notification no. 2016001865) following which Imagina's position represents 3.611% of the voting rights: 2.963% directly and 0.648% indirectly through Mediapro. (See CNMV notification no. 2016001864)

### A.12

Until 20 January 2015, Atresmedia owned 1,181,296 shares (former B shares) that were not traded on the market but which, at that date, had the same economic rights as the remaining Company shares. These shares were issued as a result of the merger with GESTORA DE INVERSIONES AUDIOVISUALES LA SEXTA, S.A. Its dividend rights were restricted since the Company was not entitled to dividends on the profits generated up to 31 October 2014, date on which the merger was performed.

From that date onwards, all Company shares were put on an equal footing and since then they have all been ordinary shares.

Via significant event no. 412360, on 20 November 2014, the adaptation of the Articles of Association to this new classification was notified, together with the implementation of the agreement requesting admission to listing on the Spanish stock markets of the aforementioned shares.

As part of this process, and also in line with that envisaged in the merger agreements, the Company's Board of Directors requested the admission to official listing of the aforementioned 1,181,296 shares on the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges through the Spanish Computerised Trading System (Continuous Market), which began to trade on 20 January 2015.

Lastly, from 23 June 2015 -once the dividend rights for 2014 had been settled, all the shares traded were identified with the same ISIN. Currently, all Atresmedia shares are traded on the continuous market of the four Spanish stock exchanges.

### C.1.4

It should be taken into account on comparing the data on the percentage represented by female directors as a percentage of total Board members that the total number has dropped from 13 to 12 directors since, on the approval date of this report, a vacancy exists on the Board which, to date, has not been filled by the co-optation system envisaged in the Law and in the Articles of Association. It is therefore expected that the Ordinary General Shareholders' Meeting will ultimately decide on the maintenance or reduction of the number of directors, and on the type of new director, if any, that fills the position.

### E.1

In 2014, the ATRESMEDIA Group implemented a new application that supports and manages its whole Risk Management and Control System, known as SAP "GRC" (Governance, Risks and Compliance). It is a Corporate System, developed with its SAP transactional system, which enables the monitoring of all the Group's risks to be systematised, ordered and documented, together with the existing controls to mitigate the risks identified and establish work flows that speed up and order the information flows of the risk and control system. The tool also

evaluates the effectiveness and design of the System on an on-going basis, both with respect to the risks identified and to the controls implemented to mitigate such risks.

In this regard, the dimensions of the Atresmedia Risk Management and Control System are as follows:

#### 1. Regulatory compliance

The Atresmedia Group has defined a regulatory compliance system, which enables all regulations to be respected, both in relation to the sectors in which it operates and in respect of the generic manner in which they affect the Group in view of its status as a listed company or the legislation to which it is submitted (labour, tax, environmental, etc.).

The supervision of regulatory compliance, via specific controls, is one of the principles on which the Atresmedia Group's Risk Management and Control System is based.

Additionally, a series of Internal Procedures and Protocols have been adequately defined and notified, which have been included within the Group's Risk Management and Control System, representing additional control mechanisms to ensure compliance in order to mitigate the appearance of various associated risks. These Procedures and Protocols are supervised and approved by the Regulatory Compliance Committee and are adequately notified to the Audit and Control Committee on a frequent basis to oversee that they are effectively complied with.

#### 2. Organisation

All the risks and controls of the Atresmedia Group are assigned an organisational unit, enabling the risks and controls to be adapted by organisation/business, and responsibilities to be identified in the System, both at corporate level and in each of the organisational units and business units.

Risks and controls exist that are assigned to the whole Group, but also within the System others exist that are solely assigned to certain units of the organisation, on being specific to the related business or organisation.

The heads of each organisation may monitor the risks and controls specific to their organisation.

In this regard, the organisations defined within the Atresmedia Risk Management and Control System are as follows:

- Television Division
- Radio Division
- Advertising Division
- Multimedia Division
- Diversification Division
- Cinema Division
- Corporate Division (Systems and Human Resources)
- Financial Division
- Legal, Judicial and Regulation Division
- Audit, Processes and Quality Division
- Foundation

These organisational units have in turn defined their internal organisation (lower organisational units) for the purposes of assigning responsibilities in the performance and design of the controls and in their supervision.

#### 3. Processes

Via a detailed processes map, the Group's risks and controls are associated so that at any time it is possible to identify which risks have the greatest impact on one or another business or corporate process; together with the existing controls and the needs for improvement or redefinition thereof, to the extent that the processes are evolving on an operational and technological basis.

The main processes identified within the Risk Management and Control System are as follows:

- Definition and preparation of the corporate strategy
- Acquisition of contents and purchase of rights
- Contents production
- Design of the grid and definition of programming strategy
- Purchases of goods, services and technology

- Marketing and sale of advertising slots
- Marketing of other services
- Information and technology systems
- Technical infrastructure management
- Operating management of assets and general infrastructures
- Human resources and prevention of occupational risks
- Judicial, legal and regulation
- Administration and finance

#### 4. Risks

The System includes all the risks of the Atresmedia Group, classified by different categories and assigned to different regulations, organisations and processes. A complete map of risks has been defined, which enables all risks to be identified, both from the surroundings, and those relating to the activity and business performed and others specific to the Company.

These risks are assessed periodically with regard to their impact and probability.

Each of the risks identified has established controls and procedures that prevent their appearance. In the event any risk materialises, it is mitigated via defined control mechanisms and risk responses established in each case.

#### 5. Control and control tools

The System includes a full identification and description of all the controls. All the controls are associated to all those risks in order to be mitigated; accordingly, the satisfactory application thereof enables the potential impact of risks materialising to be reduced.

The Atresmedia Risk Management and Control System has different tools that boost internal control and reduce the potential impact of existing risks:

- a. Policies, Procedures and Protocols, adequately notified through the corporate communication channels to the affected areas and people.
- b. Other IT control tools (additional to the GRC system itself), including most notably:
  - Purchasing management system
  - Management and authorisation system for contracting proposals
  - Management and authorisation system for programme estimates
  - Quality system
  - Computer application to comply with internal regulations in securities market matters.
- c. Queries and Whistleblower Channel:
 

Enables all employees to notify, in an easy and confidential manner, those procedures that constitute inappropriate conduct or behaviour under the Code of Conduct or any other applicable legislation, and especially those that do not comply with the Internal Control over Financial Reporting (ICFR) System.
- d. Control procedures related with the Internal Control over Financial Reporting (ICFR) System:
 

Atresmedia, in its undertaking to provide reliable, integral, true and uniform information to investments and to the market, has implemented an Internal Control over Financial Reporting (ICFR) System which guarantees the accuracy of the financial information issued.
- e. Regulatory Compliance Committee
 

Body charged with the management, surveillance, coordination and integration of corporate policies and actions aimed at complying with all applicable legislation and regulations (both external and internal protocols and procedures), as well as supervision of compliance with the Code of Conduct.
- f. Internal conduct regulation in securities market matters.
- g. Criminal Compliance Head

A specific figure exists charged with providing the necessary advisory services to executives and directors of Atresmedia in decision making that may have potential criminal consequences.

Likewise, he/she is in charge of the operating coordination of the measures required to apply the Code of Conduct and to execute the decisions adopted by the Regulatory Compliance Committee. Lastly he/she is the head of the implementation of a crime prevention programme within Atresmedia.

#### 6. Heads

All the System risks and controls have identified the heads thereof, who periodically, in line with the assessment schedule defined in each case, must implement the control procedures established for each risk.

Aside from the risk and control heads, the figure of supervisor has been defined, charged with approving/rejecting the assessment of risks and controls performed by the heads at each time.

#### 7. Test plans and proof

All controls included in the System have defined a test plan which must be executed and completed by the control head on each of the control assessment dates defined.

Additionally, the System requires that the execution of the controls performed in each period be supported by documentary proof. This enables the full control assessment performed by the heads to be put in place and verified, where appropriate, and to have a documentary system of all the controls performed in each period.

In 2015, Atresmedia reinforced its Internal Control and Risk System and, within such system, its Regulatory Compliance and Criminal Prevention System, to make them effective to identify, prevent and manage risks of all types, especially criminal risks, implementing the necessary controls. The main novelties of the System are as follows:

1. The Company verified the adaptation of the Regulatory Compliance and Criminal Prevention System to the new regulatory requirements, especially the criminal liability of legal entities and the new types of crimes. The result of such analysis confirms that the System functions correctly and is adjusted to the needs of the Atresmedia Group. It also has the capacity and flexibility required to be adapted in the future to the new business or legal requirements and to improve the Group's quality and efficiency.
2. A new Regulatory Compliance Director has been appointed, which presides over the Regulatory Compliance Committee. He is an independent external professional, with greater decision-making and procedural capacity, since he originates from outside the Group's organisational and hierarchical structure.
3. A new Criminal Compliance Head was appointed by the Board of Directors, in the figure of the Internal Audit and Process Control Director.
4. The Regulatory Compliance Committee Regulations were approved, which detail the body's functions together with its lines of action.
5. The scope of application of the Whistleblower Channel was extended to encompass queries, thereby improving its preventive and training capacity for all employees that need to rely on a safe reliable method in this regard. The Regulatory Compliance Committee has also approved a specific procedure that regulates the functioning of this channel.
6. Access has been enhanced to all information relating to Regulatory Compliance and Control for all employees and workers of the Atresmedia Group, providing a specific section on the Atresmedia Group's Intranet devoted to Regulatory Compliance and Control, which contains complete updated information on the Corporate Governance System, the applicable Internal Regulations and Policies and Procedures, and the mechanisms established for their adequate functioning, means of access and use.
7. A series of new Policies, Protocols and Procedures has been approved by the Group's different governing bodies.
8. The SAP - GRC System was implemented in greater depth, extending it to the whole organisation and incorporating it into the normal work processes of the areas responsible for the execution of the controls.
9. Adequate training was provided in the management of the SAP - GRC System to all employees affected by the new risk management and control systems and that are responsible for the controls included.