ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED COMPANIES

ISSUER'S PARTICULARS

YEAR-END DATE IN QUESTION 31/12/2018

TAX IDENTIFICATION NUMBER: A-78839271

Company name:

ATRESMEDIA CORPORACION DE MEDIOS DE COMUNICACION, S.A.

Registered offices:

AVENIDA ISLA GRACIOSA, 13 (S. SEBASTIAN DE LOS REYES) MADRID

A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

A.1. Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Meeting, provided that these references are clear, specific and concrete.

The specific determinations for the year in progress should be described, both the remuneration of directors in their status as such and as a result of their executive functions carried out for the Board pursuant to the contracts signed with executive directors and to the remuneration policy approved by the General Meeting.

At any event, the following aspects should be reported:

- Description of the procedures and company bodies involved in determining and approving the remuneration policy and its terms and conditions.
- Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.
- Information on whether any external advisors took part in this process and, if so, their identity.

The wording of this section takes into consideration the new remuneration policy to be submitted for approval at the forthcoming General Meeting. Accordingly, it will cover most of the current year. The proposed policy was approved by the Company's Board of Directors on 27 February 2019. Other sections herein present application of the remuneration policy in force in 2018, which was approved at the General Meeting held in 2017, originally for a period of three (3) years (i.e. for 2018 to 2020, inclusive), in accordance with article 529 of the Corporate Enterprises Act (Ley de Sociedades de Capital or "LSC").

As provided for in regulations on director remuneration policies, the Company's policy is approved by the General Meeting at a proposal by the Board of Directors based on a favourable report by both the Board and the Appointments and Remuneration Committee.

Without prejudice to the term foreseen initially in the current remuneration policy, the Supreme Court issued ruling 98/2018 of 26 February 2018 on administrative appeal 3574/2017, and established the criteria on the legal regime applicable to the remuneration of executive directors or officers.

Although this ruling does not refer specifically to listed companies, because of it the Board of Directors of the Company asked its Secretary to, in coordination with the Appointments and Remuneration Committee, carry out the necessary actions to conduct a general and thorough review of all aspects of the Company's existing director remuneration system, engaging the assistance of external advisors if necessary.

The main objective of this review was to ensure that the Atresmedia Corporación remuneration policy complied with prevailing law in all necessary aspects. Moreover, it was decided to the review the policy and adapt its content to corporate governance recommendations and best practices, bearing in mind in any event the Company's characteristics and peculiarities. To perform this review of all regulatory aspects and practices related to the remuneration of Atresmedia Corporación's directors, an analysis was performed of the Company Bylaws, the Board of Directors Regulations, the director employment contracts (and those of executive directors, but not limited to them), the Company's director remuneration policy and, lastly, the Annual Report on the Remuneration of Directors according to the new template established by the CNMV (Circular 2/2018 of 12 June).

The external advisor's findings were used as a basis for a proposal for improvement to the Company's remuneration model in all necessary aspects. The external advisor was also involved in the process for adapting these regulations. The professional engagement concluded with the related resolution proposals by the Board of Directors for the General Meeting to be held in the first half of 2019, which include, *inter alia*, the following: (i) an amendment to the Company's director remuneration regulations, adapting the Bylaws, (ii) a related amendment to the Board of Directors Regulations, (iii) approval of a new remuneration policy and, lastly, (iv) the signing of new executive director contracts with the approved modifications.

As a result of this work, the Company's Board of Directors decided to present a new remuneration policy for 2019, 2020 and 2021 to the General Meeting. This policy is described in the following sections. Approval of the director remuneration policy will imply the early termination of the remuneration policy approved by the 2017 General Meeting which, as noted previously, was originally intended to cover 2018, 2019 and 2020, inclusive.

The proposal for Atresmedia Corporación's remuneration policy considered available data on director remuneration in comparable companies by size and activity. The comparative analysis was carried out to check the validity of the basic principles on which the proposal was based.

Atresmedia Corporación received advice from EY in the review carried out in 2018 of its rules governing director remuneration and the existing remuneration policy.

The Board of Director received legal advice from the CUATERCASAS law firm regarding the proposals to reform the internal rules on director remuneration, including the proposed remuneration policy to be presented to the General Meeting.

No external advisor was involved in the preparation of the Company's current remuneration policy, in force throughout 2018.

- Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their determination and to guarantee a suitable balance between the fixed and variable components of the remuneration. In particular, state the actions adopted by the company in relation to the remuneration system to reduce exposure to excessive risks and adapt this to the long-term objectives, values and interests of the company, which will include, as the case may be, mention of the measures to guarantee that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of staff whose professional activities have a material impact on the risk profile of the company and measures to avoid conflict of interest, as the case may be.

  Furthermore, state whether the company has established any period for the accrual or consolidation of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or the handover of accrued and consolidated financial instruments, or if any clause exists reducing the deferred remuneration or that obliges the director to return remuneration received, when such remuneration has been based data that have subsequently proved to be inaccurate.

THE EXECUTIVE CHAIRMAN
According to the Company's new remuneration policy, the Executive Chairman accrues annual variable remuneration in cash, the amount of which depends on the level of achievement of the Group's consolidated EBITDA target. This target is established each year by the Company's Board of Directors when drafting the budget.

The maximum amount of variable remuneration in cash cannot exceed the fixed salary and may reach up to 88% of the fixed salary. Settlement of 50% of the bonus earned is contingent on the Executive Chairman continuing in the position as at 31 December of the year after the reference year for the calculation of the variable remuneration. This mechanism is designed to encourage the director's stability in the position and commitment to the Company's financial objectives.

The existence of this cap on the annual bonus and how it is calculated -and is directly and exclusively related to (i) the Group's consolidated EBITDA and (ii) the Executive Chairman's fixed salary- simplifies its determination. It is a simple, transparent and effective remuneration system that makes it easier for investors, advisors and the broader market to understand.

The Chairman is also included in the long-term variable remuneration plan entailing the delivery of treasury shares, approved by the General Meeting in 2016 with an accrual period that ends in 2018, with settlement in 2019 and 2020, at 50% each year.

The final amount of this remuneration in treasury shares will depend on the number of shares that the Executive Chairman receives as plan beneficiary based on the maximum shares to which he is entitled and the level of achievement of the established targets.

THE CHIEF EXECUTIVE OFFICER
The Chief Executive Officer has the same type of variable remuneration in cash with annual accrual entailing a percentage of fixed remuneration. The specific amount will depend on the level of achievement of the Group's consolidated EBITDA target. This target is established each year by the Company's Board of Directors when drafting the budget.

The maximum amount of this variable remuneration cannot exceed the fixed salary and may reach up to 88% of the fixed salary. Moreover, settlement of 50% of the bonus earned is contingent on the Chief Executive Officer continuing in this position as at 31 December of the year after the reference year for the calculation of the variable remuneration. This mechanism is designed to encourage the director's stability in the position and commitment to the Company's financial objectives.

The existence of this cap on the annual bonus and how it is calculated -and is directly and exclusively related to (i) the Group's consolidated EBITDA and (ii) the Chief Executive Officer's fixed salary- simplifies its determination. It is a simple, transparent and effective remuneration system that makes it easier for investors, advisors and the broader market to understand.

The Chief Executive Officer is a beneficiary of the variable remuneration scheme entailing the delivery of shares described above. Also in this case, this the final amount of remuneration in treasury shares will depend on the number of shares that the Chief Executive Officer receives as plan beneficiary based on the maximum shares to which he is entitled and the level of achievement of the established targets.

In line with good corporate governance recommendations, all situations and types of variable remuneration (of both the Executive Chairman and the Chief Executive Officer for variable remuneration in cash or shares) includes the obligation of the director to return a proportionate amount of remuneration received when the data used as reference for calculating the variable remuneration have clearly been shown to be inaccurate.

In addition, receipt of variable remuneration is contingent on the Executive Chairman and Chief Executive Officer fulfilling all the duties inherent in the position established in law and in the Bylaws.

- Amount and nature of fixed components that are due to be accrued during the year by directors in their status as such.

The remuneration items and amounts for external directors in the proposed remuneration policy that the Board of Directors will present to the 2019 General Meeting are the same as those received by these directors in 2018, as follows:

a) Annual remuneration for each member of the Board of Directors of EUR 25,000 and allowance for attending Board meetings of EUR 2,000.
b) Annual remuneration for each member of the Executive Committee of EUR 50,000 and allowance for attending Executive Committee meetings of EUR 2,500.
c) For the Audit and Control Committee, there is an allowance of EUR 2,000 per meeting, with no additional fixed remuneration.
d) For the Appointments and Remuneration Committee, there is an allowance of EUR 2,000 per meeting, with no additional fixed remuneration.
e) Allocation of a specific additional remuneration for holding a seat on the Board of Directors or any of its committees, if the dedication and responsibility related to the position so warrant. The amount shall be determined in each case, subject to the overall maximum limit established.

In any event, the new proposal of the remuneration policy provides for the possibility of the Board of Directors modifying the aforementioned amounts, provided that the total annual remuneration of executive directors does not surpass EUR 3,000,000. This maximum limit has remained unchanged since 2006.

According to the proposal for the new remuneration policy, the Executive Chairman and the Chief Executive Officer shall not receive remuneration corresponding to executive directors for the performance of their duties.

- Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

1. The fixed annual remuneration of the Chairman of the Board of Directors in 2019 for discharging executive duties will be EUR 410,000, applicable for the remaining period of 2019 once approval is given by the general meeting to the remuneration policy.
2. The fixed annual remuneration of the Chief Executive Officer in 2019 for discharging executive duties will be EUR 1,100,000.

- Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.

The remuneration of the Chief Executive Officer includes the premium for life and disability insurance paid by the Company. The annual cost of this insurance may not exceed EUR 15,000.

The Chief Executive Officer also has medical insurance, which covers family members (spouse or person with a similar relationship and descendants to the first degree) as beneficiaries, paid by the Company, with a maximum annual premium of EUR 20,000.

The rest of the directors (executive and external) do not receive any remuneration in kind except for the Deputy Chairman, whose remuneration in 2018 included a life insurance premium of up to EUR 1,500 and a medical insurance premium of up to EUR 11,000 per year, which are not in force at present.

- Amount and nature of variable components, differentiating between those established in the short and long term. Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration in the year in progress, explaining the extent to which these parameters are related to performance, both of the director and of the company, together with their risk profile, and the methodology, deadline necessary and techniques established to determine the degree of compliance with the parameters used in the design of the variable remuneration at the end of the year.

  State the range, in monetary terms, of the different variable components according to the degree of compliance with the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

THE EXECUTIVE CHAIRMAN OF THE BOARD OF DIRECTORS

I.- VARIABLE REMUNERATION IN CASH
In addition to the fixed annual remuneration, the Executive Chairman shall be entitled to variable remuneration in cash (bonus) contingent on the achievement of financial targets related to the Group's annual earnings in accordance with its consolidated financial statements.

The maximum amount of the bonus receivable by the Executive Chairman is 88% of his/her fixed remuneration in cash. Without prejudice to compliance with the requirement of continuing as the Executive Chairman to be entitled to the full bonus, as specified later, the amount shall be determined in accordance with the level of achievement of the EBITDA target established by the Board of Directors in the Group's consolidated financial statements, determined in accordance with the following scale:

(i) If the Group's EBITDA as reported in the Company's annual financial statements is less than 60% of the amount in the budget approved by the Board of Directors for that year, no bonus is paid.
(ii) If the Group's EBITDA as reported in the Company's annual financial statements is equal to 60% of the amount in the budget approved by the Board of Directors for that year, a bonus equal to 40% of fixed remuneration in cash is paid.
(iii) If the Group's EBITDA as reported in the Company's annual financial statements is equal to between 60% and 100% of the amount in the budget approved by the Board of Directors for that year, the amount of the bonus will be calculated proportionally, considering that (a) for a level of achievement of the target of 60%, the amount of the bonus will be equal to 40% of the fixed remuneration in cash, and (b) for a level of achievement of the target of 100%, the amount of the bonus will be equal to 80% of the fixed remuneration in cash.
(iv) If the Group's EBITDA as reported in the Company's annual financial statements is equal to between 100% and 110% of the amount in the budget approved by the Board of Directors for that year, there is no entitlement to any additional amount of bonus than in the preceding paragraph; i.e. the amount of the bonus will be equal to 80% of the fixed remuneration in cash.
(v) If the Group's EBITDA as reported in the Company's annual financial statements is equal to between 100% and 130% of the amount in the budget approved by the Board of Directors for that year, the amount of the bonus will be equal to the sum of (a) 80% of the fixed remuneration cash, and (b) an amount of up to an additional 8% of the fixed remuneration in cash, calculated proportionally and starting from a level of achievement of the target of 110%. The full 8% will correspond to a level of achievement of 130% of the target.
(vi) If the Group's EBITDA as reported in the Company's annual financial statements is equal to 130% of the amount in the budget approved by the Board of Directors for that year, the amount of the bonus will be, in any event, equal to 88% of the fixed remuneration in cash.

The EBITDA figures taken into account when determining the Company's results for calculation of the bonus will be those appearing in the (consolidated and audited) annual financial statements of each period.

Entitlement to the bonus will require:
a. For an amount equal to 50% of the bonus, the Executive Chairman must continue in the position until 31 December of the reference year in the calculation; and
b. For the remaining 50%, the Executive Chairman must continue in the position until 31 December of the year after the reference year in the calculation (i.e. 12 months after the date indicated in the previous paragraph). Exceptionally, notwithstanding the above, this percentage will also be considered payable where the Executive Chairman's employment has been terminated before the reference date, provided that such termination was caused by the death of the Executive Chairman.

The bonus will be paid, provided all the conditions of entitlement are met, on the following dates:

1. The first 50% in the first quarter of the year after the reference year for the calculation of the bonus, within one (1) month after the Board authorises for issue the annual consolidated financial statements used in calculating the bonus; and
2. The remaining 50% in the first quarter of the second year after the reference year for the calculation of the bonus, except in the event of death.

The system of variable remuneration in cash forms part of the future remuneration of the Executive Chairman according to the new remuneration policy proposed. In 2018, this scheme of variable remuneration in cash based on EBITDA was not available to the Executive Chairman.

II.- VARIABLE REMUNERATION IN COMPANY SHARES
The Executive Chairman is included among the beneficiaries of the variable remuneration scheme with delivery of shares approved by shareholders at the General Meeting held on 20 April 2016. The maximum cost of the plan, established at the General Meeting, was EUR 8,930,900. To carry out the plan, the Company finally repurchased 791,880 treasury shares, for a total price of EUR 8,930,820.54 and representing 0.351% of its share capital (see price-sensitive information disclosed to the CNMV on 13 May 2016).

The maximum number of Company shares to which the Executive Chairman may be entitled under this plan is 137,718 shares, although these would only be received if the level of achievement of the financial targets established in the plan is 200%. In addition, settlement to the beneficiary of 50% of the shares to which the Executive Chairman is ultimately entitled is not carried out until the first four months of 2020, contingent on continuing in the position as Chairman, in addition to the aforementioned financial targets are added to the additional requirement of continuing employment at the Company.

The financial targets in this plan refer to 2016, 2017 and 2018. The annual financial statements for 2016 and 2017 have been approved by the respective Annual General Meetings. The 2018 financial statements are authorised for issue on the same date as the approval of this Annual Report on the Remuneration of Directors which, as appropriate, must be approved at the 2019 Annual General Meeting. Assuming that the General Meeting will approve the annual financial statements authorised for issue by the Board of Directors at its February 2019 meeting (as is likely, judging by past experience), Mr. Creuheras will receive a total of 45,536 shares of Atresmedia Corporación, 33.1% of the maximum possible explained previously. Of these shares, 50% would be received in 2019 -after the General Meeting approves the 2018 financial statements- and the remaining 50% in within the first four months of 2020, provide Mr. Creuheras continues to hold the position of Chairman of the Board of Directors.

III.- CLAWBACK OF VARIABLE REMUNERATION
The Executive Chairman forfeits all rights and, where applicable, must return to the Company, proportionally, any remuneration received as (i) variable remuneration in cash or (ii) shared-based remuneration in the event of (a) a reissue of the Company's separate or consolidated financial statements; or (b) failure to comply with the duties inherent in the position.

The amounts affected are all gross remunerations related to these items accrued from the profit or loss for the year in the reissued financial statements, in the circumstances of a) above; or those whose accrual is related to the year of non-compliance by the Executive Chairman with the circumstances of (b).

THE CHIEF EXECUTIVE OFFICER
I.- VARIABLE REMUNERATION IN CASH
In addition to the fixed annual remuneration, the Chief Executive Officer shall be entitled to variable remuneration in cash (bonus) contingent on the achievement of financial targets related to the Atresmedia Group's annual earnings in accordance with its consolidated financial statements.

The maximum amount of the bonus receivable by the Chief Executive Officer is 88% of his/her fixed remuneration in cash. Without prejudice to compliance with the requirement of continuing as the Chief Executive Officer to be entitled to the full bonus, as specified later, the amount shall be determined in accordance with the level of achievement of the EBITDA target established by the Board of Directors in the Atresmedia Group's consolidated financial statements, determined in accordance with the following scale:

(i) If the Group's EBITDA as reported in the Company's annual financial statements is less than 60% of the amount in the budget approved by the Board of Directors for that year, no bonus is paid.
(ii) If the Group's EBITDA as reported in the Company's annual financial statements is equal to 60% of the amount in the budget approved by the Board of Directors for that year, the amount of the bonus will be 40% of the fixed remuneration in cash.
(iii) If the Group's EBITDA as reported in the Company's annual financial statements is equal to between 60% and 100% of the amount in the budget approved by the Board of Directors for that year, the amount of the bonus will be calculated proportionally, considering that (a) for a level of achievement of the target of 60%, the amount of the bonus will be equal to 40% of the fixed remuneration in cash, and (b) for a level of achievement of the target of 100%, the amount of the bonus will be equal to 80% of the fixed remuneration in cash.
(iv) If the Group's EBITDA as reported in the Company's annual financial statements is equal to between 100% and 110% of the amount in the budget approved by the Board of Directors for that year, there is no entitlement to any additional amount of bonus than in the preceding paragraph; i.e. the amount of the bonus will be equal to 80% of the fixed remuneration in cash.

(v) If the Group's EBITDA as reported in the Company's annual financial statements is equal to between 100% and 130% of the amount in the budget approved by the Board of Directors for that year, the amount of the bonus will be equal to the sum of (a) 80% of the fixed remuneration cash, and (b) an amount of up to an additional 8% of the fixed remuneration in cash, calculated proportionally and starting from a level of achievement of the target of 110%. The full 8% will correspond to a level of achievement of 130% of the target.
(vi) If the Group's EBITDA as reported in the Company's annual financial statements is equal to 130% of the amount in the budget approved by the Board of Directors for that year, the amount of the bonus will be, in any event, equal to 88% of the fixed remuneration in cash.

The EBITDA figures taken into account when determining the Company's results for calculation of the bonus will be those appearing in the (consolidated and audited) annual financial statements of each period.

Entitlement to the bonus will require:

a. For an amount equal to 50% of the bonus, the Chief Executive Officer must continue in the position until 31 December of the reference year in the calculation of the bonus; and
b. For the remaining 50%, the Chief Executive Officer must continue in the position until 31 December of the year after the reference year in the calculation (i.e. 12 months after the date indicated in the previous paragraph). Exceptionally, notwithstanding the above, this percentage will also be considered payable where the Chief Executive Officer's employment has been terminated before the reference date, provided that such termination was caused by the death of the Chief Executive Officer.

The bonus will be paid, provided all the conditions of entitlement are met, on the following dates:

1. The first 50% in the first quarter of the year after the reference year for the calculation of the bonus, within one (1) month after the Board of Directors authorises for issue the annual consolidated financial statements used in calculating the bonus; and

2. The remaining 50% in the first quarter of the second year after the reference year for the calculation of the bonus, except in the event of death.

- Main characteristics of long-term savings systems. Among other information, state the contingencies covered by the system, whether through defined contributions or benefits, the annual contribution that needs to be made to the defined contribution system, the benefits directors are entitled to in the event of defined benefit systems, the conditions under which economic rights are consolidated for directors and their compatibility with any other type of payment or severance pay as a result of the early termination or dismissal of the director, or deriving from the termination of the contractual relation, in the terms provided, between the company and the director.

  * State if the accrual or consolidation of any of the long-term savings plans is linked to achieving certain objectives or parameters related to the short- or long-term performance of the director.

There are no long-term savings plans for directors other than the long-term variable incentive via the delivery of treasury shares (long term incentive plan) described in section B7.

There are no long-term savings plans for directors other than the long-term variable incentive (long term incentive plan) via the delivery of treasury shares described in section B7.

- Any type of payment or severance pay for early termination or dismissal of the director, or deriving from the termination of the contractual relation, in the terms provided, between the company and the director, whether voluntary resignation by the director or dismissal of the director by the company, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, permanence or loyalty, which entitle the director to any type of remuneration.

For the Executive Chairman, there is no type of payment or severance pay in the situations described in this section.

Where the Company decides to terminate the Executive Chairman's contract, it must give notice of three (3) months. This notice period may, however, be substituted, partially or fully, by severance pay equal to the fixed remuneration in cash related to the period for which notice was not given.

The Chief Executive Officer’s new contract, once it is adapted to the Company’s new remuneration policy, will include the severance pay provided therein, with the following scope:

(a) Non-competition period: one (1) year from the termination of the contract. For this commitment, the Chief Executive Officer will receive a total gross amount equal to one year of total salary (fixed remuneration and variable remuneration in cash received in the last twelve (12) months). Payment will be made during the non-competition period in twelve (12) equal payments.

In event of non-compliance by the Chief Executive Officer, the payments will cease and he must return to the Company the amounts received in this connection plus an indemnity in an amount equal to the total compensation agreed of one year of total salary (fixed and variable remuneration in cash) equal to the amount received by the Chief Executive Officer in the last twelve (12) months before the contract termination, without prejudice to any claims for damages that this could give rise to.

Whether or not the non-competition clause is enforced depends exclusively on Atresmedia and its assessment of competition or not of effective interest of an industrial competitor, so Atresmedia may waive the non-competition agreement and related payment without any consequences.

(b) For contract termination and change of shareholders: In the event the Chief Executive Officer's contract is terminated unilaterally by the Company without the Chief Executive Officer having committed any serious and culpable breach (of his duties as director or contractual obligations) justifying the termination, the Chief Executive Officer will be entitled to severance pay equal to one gross year of total salary (fixed and variable remuneration in cash received in the last twelve (12) months).

The Chief Executive Officer has the right to terminate his contract voluntarily with the same severance -equivalent to one year of total gross salary (fixed and variable remuneration in cash received in the last twelve (12) months)- in the event of a change in control of the Company.

Where the Company decides to terminate the Chief Executive Officer's contract, it must give notice of three (3) months. This notice period may, however, be substituted, partially or fully, by severance pay equal to the fixed remuneration in cash related to the period for which notice was not given, which in this case would be added to any other severance pay corresponding to the Chief Executive Officer.

- State the conditions that contracts should respect for those exercising senior management functions as executive directors. Among others, information should be provided on the duration, limits on amounts of severance pay, minimum contract term clauses, notice periods and payment in lieu of these notice periods, and any other clauses relating to hiring bonuses, compensation and golden parachute clauses for early termination of the contractual relationship between the company and the executive director. Include, among others, the pacts or agreement on non-competition, exclusivity, permanence and loyalty, and post-contractual non-competition, unless these have been explained in the previous section.

The Chairman has a permanent contract, although it concludes if he resigns from this position, for any reason, without giving rise to the award of any type of severance pay. Moreover, either party may terminate the contract early, with three months’ notice and no additional requirement and without any severance payment. Breach of the notice period by either party will give right to the other to demand compensation equal to the proportion arising from the period for which notice was not given.

Executive directors’ contracts are permanent.

The remaining issues are addressed in the preceding section.

- The nature and estimated amount of any other supplementary remuneration accrued by directors in the year in progress in consideration for services rendered other than those inherent in the post.

In addition to the remuneration for these two directors who are executive directors (i.e. the Executive Chairman and the Chief Executive Officer), proprietary director Mauricio Casals Aldama provides regular advisory services to the Atresmedia Group other than the services inherent in his position as director. The amount of fees receivable in 2019 in this connection is estimated at EUR 593,437.02.

In addition, Maurizio Carlotti, Deputy Chairman of the Board of Directors, provided advisory services in certain months of 2018, which were specific and different to those inherent in his position as director. The remuneration accrued in 2018 in this connection was EUR 285,000.

- Other remuneration items or by-products, as the case may be, of the company granting the director advance payments, loans, guarantees or any other remuneration.

There are no other remuneration items of this kind, or that are similar or comparable to advance payments, loans or guarantees.

- The nature and estimated amount of any other planned supplementary remuneration accrued by directors in the year in progress that are not included in the previous sections, whether payment is satisfied by the company or another group company.

There is no supplementary remuneration other than items explained in previous sections paid by the Company or another Group company.

A.2. Explain any significant change in the remuneration policy applicable in the current year resulting from:

- A new policy or a modification of the policy already approved by the General Meeting.
- Significant changes in the specific determinations established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.
- Proposals that the board of directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and which are proposed to be applicable to the current year.

As explained previously, a decision was taken in 2018 to thoroughly revise the Company's director remuneration system with the help of two independent external advisors (EY and CUATRECASAS) to ensure compliance with prevailing regulations and adaptation to best corporate governance practices and recommendations.

To conclude this process, in 2019, shareholders at the General Meeting are expected to assess and vote on the proposals put forward by the Board of Directors relating to:

1. The amendment of the Company's Bylaws regarding director remuneration.
2. Approval of a new director remuneration policy applicable in 2019, 2020 and 2021.

In addition, shareholders at the General Meeting will be informed about the need to amend the Board of Directors Regulations to adapt the text to the new Bylaws.

Approval of new internal rules and regulations also implies adaptation of the professional services contracts of the two executive directors (i.e. the Chairman and the Chief Executive Officer).

In any event, these measures will be implemented and become fully effective in 2019.

A.3. Identify the direct link to the document where the current company remuneration policy is posted, which must be available on the web page of the company.

https://www.atresmediacorporacion.com/gobierno-corporativo/politicas-corporativas/

A.4. Explain, taking into account the data provided in Section B.4, the outcome of voting, of a consultative nature, by shareholders at the General Shareholders' Meeting on the annual report on remuneration for the previous year.

The outcome of the consultative vote on the Annual Report on the Remuneration of Directors for 2017 was that a majority of shareholders in attendance or represented at the General Meeting held on 18 April 2018, at first call, voted in favour of the report.

Specifically, 99.51% of share capital presented or represented at the General Meeting voted in favour, 0.48% against, and 0.00059% abstained.

Despite this majority support, the Company, in its review and the new proposal for the director remuneration system, went to great lengths to: (i) provide greater transparency, conciseness and clarity to the policy so that it is easier for investors and the market in general to understand and analyse; (ii) update the content so that it is line with good governance recommendations and best practices; and (iii) specify the remuneration items that directors may receive bearing in mind their dedication and position in the Company and their nature.

B. OVERALL SUMMARY OF HOW REMUNERATION POLICY HAS BEEN APPLIED DURING THE YEAR ENDED

B.1. Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the Board of Directors and, as the case may be, the identity and the role of the external advisors whose services have been used in the process to apply the remuneration policy in the year ended.

There were no significant changes in 2018 in how the director remuneration policy was applied in the Company requiring the involvement of the Appointments and Remuneration Committee or the Board of Directors beyond the regular verification, control and monitoring of the existing policy. There was also no need to engage an external advisor in this respect.

The current remuneration policy was approved at the 2017 General Meeting for an initial period of three (3) years. There were no amendments in 2018 to the contracts of the two executive directors; i.e. the Executive Chairman and the Chief Executive Officer.

B.2. Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and adapting them to the long-term objectives, values and interests of the company, including a reference to the measures that have been adopted to guarantee that the long-term results of the company have been taken into consideration in the remuneration accrued and that a suitable balance has been attained between the fixed and variable components of the remuneration, the measures that have been adopted in relation to those categories of staff whose professional activities have a material repercussion on the company's risk profile and the measures that have been adopted to avoid conflicts of interest, if appropriate.

The ordinary system of variable remuneration for directors applied in the Company is linked directly and exclusively to EBITDA each year so it is aligned with the interests of shareholders, preventing exposure to excessive risks requiring additional or complementary control measures. Moreover, entitlement to the full amount of variable remuneration is contingent, as explained in section A.1 above, on the Executive Chairman and the Chief Executive Officer continuing in their positions, which reinforces even more the commitment of the executive directors to the long-term objectives and interests of the Company.

The long-term remuneration plan consisting of the delivery of shares to the Executive Chairman and the Chief Executive Officer include among their objectives a direct relationship to other financial indicators in addition to EBITDA that are also relevant for the interests of shareholders, such as the dividend paid and the share price performance.

Moreover, as a counterbalance and to ensure long-term decision-making, the Company has approved an internal protocol governing the involvement of the Executive Committee in matters that are particularly relevant for the Atresmedia Group given their nature, amount or risk. The scope of action attributable to the Executive Committee in these cases is outlined in this protocol and includes certain businesses and exceptional matters for the Company, in which the Executive Committee is called on to act ex-ante for their approval. All this is without prejudice to the powers held by the Company's Chief Executive Officer, which are in no case limited, and that, in the event of extraordinary of urgent need, this control and oversight by the Executive Committee may be ex-post.

In any event, that Company’s shareholder structure should be considered a natural hedge against the potential assumption of excessive risks by the management team. The existence of two main shareholders with combined ownership of 60.86% of the share capital and total representation of six (6) proprietary directors (one of whom is also an executive director) of out twelve (12) directors is a key element for ensuring that the long-term vision and strategy outweigh the potential risks of an excessively short-term approach. In this respect, the composition of the Executive Committee should also be considered, where two main shareholders are represented by three (3) proprietary directors (of whom one is also an executive director) of a total of six (6) directors.

This structure of the Board of Directors and the Executive Committee is per se the best way to ensure long-term value creation for shareholders, thereby reducing exposure to excessive risks.

Director conflicts of interest are regulated in section v) of the paragraph on directors’ duty of loyalty contained in article 34 Duties of directors and scope of their responsibilities in the Regulations of the Board of Directors. It establishes the requirement that directors must avoid any situations that may conflict with the interests of the Company, refraining from certain actions and notifying the Board of Directors of any situations of conflict of interests that they or related parties may directly or indirectly have.

In addition, the Code of Conduct is applicable to all Atresmedia Group employees. It outlines the situations in which an employee's personal interests may conflict directly or indirectly with the interests of the Atresmedia Group in order to avoid situations that could be considered a conflict of interest and entail excessive risk for the Company.

B.3. Explain how the remuneration accrued over the year meets the provisions contained in the current remuneration policy.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, as the case may be, how the variations in the performance of the company have influenced changes in the remuneration of directors and how the latter contribute to the short- and long-term results of the company.

Remuneration accrued in 2018 meets the provisions contained in the current remuneration policy and adapt fully to the criteria and amounts stipulated therein for both fixed and variable items.

Total remuneration accrued by the Executive Chairman in 2018 was EUR 527,295, of which EUR 407,295 was specific remuneration for performing executive duties and the remaining EUR 120,000 were fixed remuneration and per diem allowances as member of the Board of Directors and the Executive Committee: EUR 25,000 as director; EUR 50,000 as member of the Executive Committee; EUR 45,000 of per diem allowances for attending the meetings of the Board of Directors and the Executive Committee. The Executive Chairman did not accrue any variable remuneration in cash in 2018.

Total remuneration accrued by the Company's Deputy Chairman in 2018 was EUR 617,251, of which EUR 320,000 related to fixed remuneration as director: EUR 25,000 as director, EUR 50,000 as member of the Executive Committee, EUR 45,000 of per diem allowances for attending meetings of the Board of Directors and the Executive Committee, and EUR 200,000 and Deputy Chairman of the Board of Directors; EUR 12,251 in life and health insurance; and the remaining EUR 285,000 for professional services as advisor in certain months of 2018.

Total remuneration accrued to the Chief Executive Officer in 2018 was EUR 1,865,864, plus remuneration in kind worth EUR 25,510.97 in life and health insurance. He received fixed remuneration in the year of EUR 1,100,000. The remainder corresponds to variable remuneration receivable in the first quarter of 2019 and the first quarter of 2020 of EUR 382,932 at each date. In the first quarter of 2018, the Chief Executive Officer received, as variable remuneration for achievement of the financial targets related to the Atresmedia Group's annual earnings, the following amounts: (i) EUR 467,286.92, for 50% of the bonus accrued in 2016; and (ii) EUR 440,000, for 50% of the bonus accrued in 2017.

The 2017 financial statements used to determine the EBITDA linked to the variable remuneration of 2017 received a clean report by the external auditor, KPMG, so there was no need to apply any clawback arrangement to the amounts received. Moreover, the 2017 financial statements obtained approval by 99.99% of the shareholders present or represented at the General Meeting held on 18 April 2018.

The fact that a significant portion of the variable remuneration is specifically subject to the executive director's continuing in the Company reinforces his commitment to remaining at the Company and achieving Atresmedia Corporación's medium- and long-term objectives, gearing his performance appropriately and competitively for the benefit of the Company.

The first 50% of the long-term variable remuneration resulting from the plan approved by shareholders at the 2016 General Meeting will be settled with beneficiaries in the first four months of 2019. As indicated previously, one key factor for quantifying the level of achievement is the share price, aligning the long-term interests of shareholders with those of the executive directors and senior managers who are plan beneficiaries. Atresmedia's share price has performed negatively in recent months, which bodes well for a limited level of achievement of this specific objective and will result in a sharp reduction in the final number of shares awarded to the two executive directors included in the plan, to around 33% of the maximum receivable if 200% of the objectives established in the plan were met. In addition, in accordance with the approach used for this remuneration plan, the shares to be delivered to the beneficiary were previously acquired by the Company, under market conditions and for the maximum amount approved by shareholders. Since then, they were held as treasury shares. Therefore, there can be no unforeseen deviation in the cost inherent in executing the plan.

B.4. Report on the result of the consultative vote at the General Shareholders'' Meeting on remuneration in the previous year, indicating the number of votes against that may have been cast:

	Number	% of total
Votes cast	180,427,831	79.93
	Number	**% cast**
Votes against	874,339	0.48
Votes in favour	179,552,428	99.51
Abstentions	1,064	0.00

Remarks

B.5. Explain how the fixed components accrued during the year by the directors in their capacity as such have been determined and how they have changed with respect to the previous year

The fixed components accrued by the directors (excluding for performing executive duties or advisory or specific duties by the director not inherent in the position) in 2018 did not change with respect to the twelve (12) previous years (from April 2006), and, therefore, they have the same system, comprising fixed remuneration for membership on the various management organs and per diem allowances for attending meeting, in accordance with the following amounts:

1. Annual remuneration for each member of the Board of Directors of EUR 25,000 and allowance for attending Board meetings of EUR 2,000.
2. Annual remuneration for each member of the Executive Committee of EUR 50,000 and allowance for attending Executive Committee meetings of EUR 2,500.
3. For the Audit and Control Committee, there is an allowance of EUR 2,000 per meeting, with no fixed remuneration.
4. For the Appointments and Remuneration Committee, there is an allowance of EUR 2,000 per meeting, with no fixed remuneration.

In 2018, the Executive Committee and the Board of Directors held eleven (11) meetings; the Audit and Control Committee held five (5) meetings, and the Appointments and Remuneration Committee held two (2) meetings.

B.6. Explain how the salaries accrued by each one of the executive directors over the past financial year for the performance of management duties were determined, and how they have changed with respect to the previous year.

In 2018, the salaries for the two executive directors were determined as provided for in the remuneration policy and in their respective contracts, with no changes from the previous year. There were also no circumstances for applying any severance pay to the directors.

B.7. Explain the nature and the main characteristics of the variable components of the remuneration systems accrued in the year ended.

In particular:

- Identify each one of the remuneration plans that have determined the different types of variable remuneration accrued by each of the directors in the year ended, including information on their scope, their date of approval, their date of incorporation, the periods of accrual and validity, the criteria used to evaluate performance and how this has affected the establishment of the variable amount accrued, as well as the measurement criteria used and the period necessary to be in a position to suitably measure all the conditions and criteria stipulated.

  In the case of share options and other financial instruments, the general characteristics of each plan will include information on both the conditions to acquire unconditional ownership (consolidation) and to exercise these options or financial instruments, including the price and term to exercise them.

- Each one of the directors, together with their category (executive directors, proprietary external directors, independent external directors and other external directors), that are beneficiaries of remunerations systems or plans that include variable remuneration.

- As the case may be, information is to be provided on periods for the accrual or deferment of payment applied and/or the periods for withholding/unavailability of shares or other financial instruments, if they should exist.

  Explain the short-term variable components of the remuneration systems:

The variable remuneration of the Chief Executive Officer is determined in accordance with the level of achievement of the EBITDA target approved by the Board of Directors in the annual budget. See section A1 above.

The two executive directors (the Chairman and the Chief Executive Officer) are the only beneficiaries of long-term variable remuneration consisting of the delivery of treasury shares.

As explained previously, in 2018, the Chief Executive Officer also received annual variable remuneration in cash for the results obtained in 2016, entailing a percentage of his fixed remuneration and linked to the target EBITDA. Entitlement, in terms of 50% of the amount, is subject to an additional requirement of continuing to perform his duties for a year and, accordingly, is settled during the year after the reference year for the EBITDA achieved. He also received variable remuneration in cash for the results obtained in 2017, equal to a percentage of his fixed remuneration and linked to the EBITDA target.

Explain the long-term variable components of the remuneration systems:

Description of the remuneration plan

The remuneration plan was approved by shareholders at the General Meeting held on 20 April 2016. The content of the plan is available on the websites of the CNMV and the Company (CNMV price sensitive information notice no. 237586).

The plan comprises a long-term variable incentive (long term incentive plan) linked to the Company's performance and consists of the delivery of Company shares to the plan beneficiaries. The remuneration plan is covered by article 44.3 of the Company Bylaws, which envisages as a possible remuneration scheme for Company directors the “assignment of shares or stock option rights” as provided for in article 219 of the Corporate Enterprises Act.

The main features of the remuneration plan are as follows:

a) Beneficiaries: the Chairman of the Board of Directors and the Chief Executive Officer, as well as certain managers of Atresmedia Corporación and Group companies selected by the Board of Directors at the proposal of the Chairman and/or Chief Executive Officer based on their importance for the Group's businesses and the creation of value for shareholders and who represent a risk for the business if they left the Group.
The initial group of beneficiaries can be expanded to include new Group managers if justified via a Board of Directors’ decision at a proposal from the Chairman and/or Chief Executive Officer.

b) Duration: The share remuneration scheme has a duration of four (4) years and four (4) months, divided up into two periods:
- Achievement of objectives and assessment period: during which the financial targets established must be met to assess the level of performance relative to them for the years 2016 to 2018.
- Settlement period: from 2019 to 2020, during which the shares will be delivered and which implies an additional commitment of continuing employment in the Atresmedia Corporación Group by the beneficiaries.

There is clawback arrangement if the delivery of shares does not meet the established targets or it is accredited subsequently that the data were incorrect.

c) Allocation of shares: To execute the remuneration plan, Atresmedia Corporación carried out a share buyback on the market, with a maximum acquisition cost equal to twice the sum of the fixed remuneration for 2015 of all beneficiaries (initial cost), plus an additional fifteen (15%) per cent (additional cost), earmarked -as appropriate and exclusively- to carry out the remuneration of the new beneficiaries. The sum of both items makes up the maximum cost of the remuneration plan.

By decision of the Board of Directors:
A maximum of 137,718 shares are allocated to the Executive Chairman.
A maximum of 206,577 shares are allocated to the Chief Executive Officer.

(d) Targets: The remuneration plan is determined in accordance with the achievement of two financial targets over the first three (3) years of the plan (i.e. 2016, 2017 and 2018).

The two targets considered will be as follows (part of the information provided in relation to achievement of plan targets is reproduced in the Appendix to this report in another format):

I. Primary target: sum of the planned consolidated EBITDA for the Atresmedia Corporación Group for three (3) years, 2016, 2017 and 2018, adjusted for the actual change in the advertising market vs. the forecast change in the three-year plan used as a reference for determining the target in order to assess exclusively the performance of management, independently from the performance of the market.
This target will be calculated in accordance with the following scale of achievement:

Primary target: Cumulative EBITDA:
Performance Pay-out
(% of target) (% number of target shares)
>130% 150% (maximum limit)
=130% 150%
=110% 100%
=100% 80%
=90% 30% <90% 0%

II. Secondary target: total shareholder return of Atresmedia Corporación Group during the same period of three (3) years, taking into account (i) the share price performance and (ii) the dividends actually paid by Atresmedia Corporación between the 2016 and 2019 General Meetings. The result obtained in achieving the secondary target acts as a multiplier (upward or downward) of the primary target.

The expected target annual return for Company shareholders is 10%, with a defined range from 7% to 13% for achievement of this target. A pay-out will be assigned in accordance with the total shareholder return, to which a multiplier will be applied in accordance with the following table:

Secondary target: total shareholder return
3-year return - Average annual return - Increase/decrease Multiplier
(% of target) (% of target) (% target no. of shares) (Pay- out) >44% >13% 33% 133% (maximum limit)
44% 13% 33% 133%
33% 10% 00% 100%
23% 07% -33% 67%
<23% <7% -33% 67% (minimum limit)

Once the annual consolidated financial statements for 2018 are authorised for issued, the level of achievement of each target will be assessed individually and a correlation established for allocating the pay-out of each. In accordance with the achievement of the secondary target (pay-out 2), a multiplier is assigned (k) for achievement of the primary target (pay-out 1).
If the cumulative EBITDA obtained for the three (3) years is less than FIVE HUNDRED MILLION EUROS (EUR 500,000,000), the remuneration plan will be rendered without effect and no shares will be received.

(e) Delivery date: Delivery of the shares is subject to the beneficiary's continuing employment with Atresmedia Corporación Group during the term of the remuneration plan, including the additional period required after achievement of the financial targets. Delivery will be as follows: 50% during the first four months of 2019 and the remaining 50% during the first four months of 2020.

(f) Maximum number of shares to be allocated to this remuneration scheme: The maximum number of shares to delivered to all beneficiaries of the remuneration plan in the event of compliance with 100% of the maximum targets established will be between a maximum of 1,400,000 shares and a minimum of 500,000 shares, depending on the market price of the shares during the period of the share buyback by the Company. This number of shares equals, respectively, a minimum of 0.22% and a maximum of 0.62% of Atresmedia Corporación's share capital, according to the maximum limit for the acquisition cost authorised for the repurchase of treasury shares; the maximum cost, of EIGHT MILLION NINE HUNDRED AND THIRTY THOUSAND NINE HUNDRED EUROS (EUR 8,930,900), which equals twice the sum of the fixed remuneration in 2015 of the group of beneficiaries plus the fifteen (15%) per cent envisaged for possible distribution among additional beneficiaries, if appropriate.
Objectives and assessment of the remuneration plan

The Company considers that the remuneration plan allows it to achieve the following objectives:
a) Create an incentive scheme that compensates the target short-term return with sustainable long-term creation of value for shareholders over time.
b) Update the remuneration plans in accordance with the new corporate governance recommendations, adapting the structure of variables to the risk profile the Board of Directors has decided to assume to achieve its strategic objectives.
c) Introduce formulas that are competitive in the market in terms of variable remuneration and long-term incentives with the objective of retaining and motivating key members of the team at a particularly critical time for the market given the arrival of new players.
d) Reinforce the commitment and motivation of key members of the management team, as well as the Chairman and the Chief Executive Officer, while increasing, in exchange, the creation of value for shareholders above their expectations.
e) Adapt the remuneration structure to standard industry practices in order to be competitive and retain key management personnel in the Group.

Implementation of the remuneration plan should bring significant advantages to the Atresmedia Group in terms of motivation, commitment and retention of these directors and managers.

B.8. Indicate whether certain variable components have been reduced or clawed back when, in the case of the former, payment has been consolidated and deferred or, in the case of the latter, consolidated and paid, on the basis of data that have subsequently proved to be inaccurate. Describe the amounts reduced or clawed back through the application of the reduction or clawback clauses, why they were implemented and the years to which they refer.

The data used to determine the variable remuneration were approved by shareholders at the General Meeting and by the external auditor, without uncovering any clear inaccuracy. Therefore, the circumstances did not arise requiring the hypothetical application of the contractual clawback clauses.

B.9. Explain the main characteristics of the long-term savings systems where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefit that are financed, totally or partially, by the company, whether through internal or external contributions, indicating the type of plan, whether it is a defined contribution or benefit, the contingencies covered, the conditions to consolidate economic rights for directors and their compatibility with any type of severance pay for early termination or termination of the contractual relationship between the company and the director.

There are no plans with these characteristics.

B.10. Explain, where appropriate, the severance pay or any other type of payment deriving from early dismissal or early resignation, or from the termination of the contract in the terms provided for therein, accrued and/or received by directors during the year ended.

No payment of this type was made in 2018.

B.11. Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, where appropriate, explain such changes. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

There were no changes in any contracts of persons exercising management functions as executive directors in 2018.

B.12. Explain any supplementary remuneration accrued by directors as consideration for services rendered outside of their post.

See section A1.

B.13. Explain any remuneration deriving from advance payments, loans or guarantees granted, indicating the interest rate, their key characteristics and the amounts eventually returned, as well as the obligations taken on by way of guarantee or collateral.

There is no remuneration of this kind.

B.14. Itemise the remuneration in kind accrued by the directors over the year, briefly explaining the nature of the different salary components.

In the case of the Chief Executive Officer, the Company has assumed the cost of two insurance policies: a health insurance policy (for a maximum amount of EUR 20,000 a year, which includes direct family members as beneficiaries) and a life insurance policy (with a maximum cost of EUR 15,000 a year).

For the Deputy Chairman, in 2018, the Company assumed the cost of a health insurance policy (for a maximum amount of EUR 11,000 a year) and a life insurance policy (for a maximum amount of EUR 1,500 a year) that are no longer in force.

B.15. Explain the remuneration accrued by directors by virtue of payments settled by the listed company to a third company at which the director renders services when these payments seek to remunerate the director's services to the company.

There is no remuneration of this kind.

B.16. Explain any other items of remuneration other than those mentioned in the previous sections, whatever their nature or the group company that settles the payment, particularly when this is a related operation or its settlement distorts the true image of the total remuneration accrued by the director.

There are no other items of remuneration.

C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Period of accrual in 2018
JOSÉ CREUHERAS MARGENAT	Executive Chairman	From 01/01/2018 to 31/01/2018
MAURIZIO CARLOTTI	Deputy Chairman, other external	From 01/01/2018 to 31/12/2018
SILVIO GONZÁLEZ MORENO	Chief Executive Officer	From 1/1/18 to 31/12/18
PATRICIA ESTANY PUIG	Lead Independent Director	From 1/1/18 to 31/12/18
MAURICIO CASALS ALDAMA	Proprietary Director	From 1/1/18 to 31/12/18
AURORA CATÁ SALA	Independent Director	From 1/1/18 to 31/12/18
MARCO DRAGO	Proprietary Director	From 1/1/18 to 31/12/18
MARÍA ENTRECANALES FRANCO	Independent Director	From 1/1/18 to 31/12/18
CARLOS FERNÁNDEZ SANCHIZ	Proprietary Director	From 1/1/18 to 31/12/18
ELMAR HEGGEN	Proprietary Director	From 1/1/18 to 31/12/18
MÓNICA RIBÉ SALAT	Independent Director	From 1/1/18 to 31/12/18
NICOLAS DE TAVERNOST	Proprietary Director	From 1/1/18 to 31/12/18
IMAGINA MEDIA AUDIOVISUAL, S.L.U.	Proprietary Director	From 1/1/18 to 30/04/18
JOSÉ MANUEL LARA GARCÍA	Proprietary Director	From 1/1/18 to 30/04/18

C.1. Complete the following tables regarding the individual remuneration of each director (including the salary received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration in cash (thousand euros)

Name	Fixed remuneration	Per diem allowances	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance pay	Other	Total in 2018	Total in 2017
JOSÉ CREUHERAS MARGENAT	25	45	50	407					527	519
MAURIZIO CARLOTTI	225	45	50					285	605	702
SILVIO GONZÁLEZ MORENO				1,097	766			3	1,866	1,980
PATRICIA ESTANY PUIG	25	52	50						127	129
MAURICIO CASALS ALDAMA	25	26						586	637	631
AURORA CATÁ SALA	25	34							59	59
MARCO DRAGO	25	45	50						120	121
MARÍA ENTRECANALES FRANCO	25	36							61	57
CARLOS FERNÁNDEZ SANCHIZ	17	14							31	
ELMAR HEGGEN	25	14							39	37
MÓNICA RIBÉ SALAT	25	36							61	57

NICOLAS DE TAVERNOST	25	49	50						124	124
IMAGINA MEDIA AUDIOVISUAL, S.L.U.	8	4							12	35
JOSÉ MANUEL LARA GARCÍA	8								8	57

Remarks

IMAGINA MEDIA AUDIOVISUAL, S.L. and JOSÉ MANUEL LARA GARCÍA are not directors at 31 December 2018.

ii) Table of changes in share-based remuneration schemes and gross profit from consolidated shares or financial instruments

Name	Name of Plan	Financial instruments at start of 2018		Financial instruments granted in 2018		Financial instruments consolidated during the year				Instruments matured but not exercised	Financial instruments at end of 2018	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares/ consolidated	Price of the consolidated shares	Gross profit from shares handed over or consolidated financial instruments (thousand €)	No. of instruments	No. of instruments	No. of equivalent shares
No data												

Remarks

iii) Long-term saving systems

Name	Remuneration from consolidation of rights to savings system
No data	

Name	Contribution over the year from the company (thousand €)				Amount of accumulated funds (thousand €)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2018	2017	2018	2017	2018	2017	2018	2017
No data								

Remarks

iv) Detail of other items

Name	Item	Amount remunerated
MAURIZIO CARLOTTI	Life and health insurance	12
SILVIO GONZÁLEZ MORENO	Life and health insurance	26

Remarks

b) Remuneration of the company directors for seats on the boards of other group companies:

i) Remuneration accrued in cash (thousand euros)

Name	Fixed remuneration	Per diem allowances	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance pay	Other	Total in 2018	Total in 2017
No data										

Remarks

Not applicable.

ii) Table of changes in share-based remuneration schemes and gross profit from consolidated shares or financial instruments

Name	Name of Plan	Financial instruments at start of 2018		Financial instruments granted in 2018		Financial instruments consolidated during the year				Instruments matured but not exercised	Financial instruments at end of 2018	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares/ consolidated	Price of the consolidated shares	Gross profit from shares handed over or consolidated financial	No. of instruments	No. of instruments	No. of equivalent shares

									Systems with (thousand €)			
No data												

Remarks

iii) Long-term saving systems

Name	Remuneration from consolidation of rights to savings system
No data	

	Contribution over the year from the company (thousand €)				Amount of accumulated funds (thousand €)			
Name	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2018	2017	2018	2017	2018	2017	2018	2017
No data								

Remarks

iv) Detail of other items

Name	Item	Amount remunerated
No data		

Remarks

c) Summary of remunerations (thousand €):

This should include a summary of the amounts corresponding to all the remuneration items included in this report that have accrued to each director (thousand Euro).

	Remuneration accrued in the company					Remuneration accrued in group companies				
Name	Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration from saving systems	Remuneration for other items	Total 2018 company	Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration from saving systems	Remuneration for other items	Total 2018 group
JOSÉ CREUHERAS MARGENAT	527				527					
MAURIZIO CARLOTTI	605			12	617					
SILVIO GONZÁLEZ MORENO	1,866			26	1,892					
PATRICIA ESTANY PUIG	127				127					
MAURICIO CASALS ALDAMA	637				637					
AURORA CATÁ SALA	59				59					
MARCO DRAGO	120				120					

MARÍA ENTRECANALES FRANCO	61				61					
CARLOS FERNÁNDEZ SANCHIZ	31				31					
ELMAR HEGGEN	39				39					
MÓNICA RIBÉ SALAT	61				61					
NICOLAS DE TAVERNOST	124				124					
IMAGINA MEDIA AUDIOVISUAL, S.L.U.	12				12					
	Remuneration accrued in the company					Remuneration accrued in group companies				
Name	Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration from saving systems	Remuneration for other items	Total 2018 company	Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration from saving systems	Remuneration for other items	Total 2018 group
JOSÉ MANUEL LARA GARCÍA	8				8					
TOTAL	4,277			38	4,315					

Remarks

D. OTHER INFORMATION OF INTEREST

If there are any relevant issues relating to directors' remuneration that you have not been able to address in the previous sections of this report, but which are necessary to provide more comprehensive and fully reasoned information on the remuneration structure and practices of the company with regard to its directors, list them briefly.

No.

This annual remuneration report has been approved by the Board of Directors of the company on:

27/02/2019

Indicate whether any directors voted against or abstained from voting on approval of this Report.

[ ] Yes

[√] No

Appendix

This information is already provided in section A.7 of this report on the long-term variable remuneration plan.

Since the template for preparing the report does not allow tables to be included, for a better understanding of the indicators defined for determining achievement of plan targets, the same information is reproduced under a different format.

Primary target:
This target will be calculated in accordance with the following scale of achievement:

Primary target: Cumulative EBITDA	
Performance (% of target)	*Pay- out (% no. of target shares)*
>130%	150% (maximum limit)
=130%	150%
=110%	100%
=100%	80%
=90%	30%
<90%	0%

Secondary objective:
The expected target annual return for Company shareholders is 10%, with a defined range from 7% to 13% for achievement of this target. A pay-out will be assigned in accordance with the total shareholder return, to which a multiplier will be applied in accordance with the following table:

Secondary target: total shareholder return			
3-year return (% of target)	*Average annual return (% of target)*	*Increase/decrease (% no. of target shares)*	*Multiplier Pay- out*
>44%	>13%	33%	133% (maximum limit)
44%	13%	33%	133%
33%	10%	0%	100%
23%	7%	-33%	67%
<23%	<7%	-33%	67% (minimum limit)