

**REPORT BY THE BOARD OF DIRECTORS OF PARQUES REUNIDOS
SERVICIOS CENTRALES, S.A. IN RELATION TO THE RATIFICATION AND
RE-ELECTION) AS INDEPENDENT DIRECTOR OF MS ANA BOLADO VALLE,
INCLUDED ON ITEM 7.2 OF THE AGENDA OF THE GENERAL
SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH AT THE FIRST
CALL AND 22 MARCH 2018 AT THE SECOND CALL**

1. INTRODUCTION

The Appointments and Remuneration Committee of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”) has proposed the General Meeting of Shareholders the ratification and re-election of Ms Ana Bolado Valle as director of the Company.

This report has been prepared by the Board of Directors of the Company, in accordance with the provisions of paragraph 5 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to provide grounds for the proposal to be submitted for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.2 of the agenda.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who have the category of independent directors (as in this case) corresponds to the Appointments and Remuneration Committee. This proposal must be accompanied by an explanatory report by the Board of Directors assessing the competence, experience and merits of the proposed candidate.

This report aims (i) to justify the proposal of the Appointments and Remuneration Committee to the General Meeting of Shareholders to ratify and re-elect Ms Ana Bolado Valle as director of the Company, with the category of “independent director”; and (ii) to assess the competence, experience and merits of the proposed candidate.

The proposal of the Appointments and Remuneration Committee is attached as an Appendix to this report.

For the purpose of article 518.e) of the Spanish Companies Act, this report contains full information on the identity, CV and category to which the proposed candidate belongs.

Consequently, the Board of Directors of the Company issues this report on the designation of Ms Ana Bolado Valle as independent director of the Company, which has been approved by the members of the Board at their meeting on 7 February 2018.

2. JUSTIFICATION OF THE REPORT

2.1 Professional and personal background

Ms Ana Bolado Valle has a degree in pharmacy by the *Universidad Complutense de Madrid* and an MBA at IE Business School.

Ms Ana Bolado Valle has over 31 years of management experience in an international environment within the Santander Group. Within the Santander Group, Ms Bolado has been Corporate Director of Digital Strategy and Business in Santander Universidades, where she was responsible for, among others, designing and implementing new digital models and negotiating global agreements with relevant digital companies. From 2013 to 2015, Ms Bolado was Corporate Director T&O for Santander Universidades. From 2010 to 2013, she was the Director for Commercial Strategy and Business Development in Commercial Banking in Spain, where she also was a member of the Management Committee of Banco Santander España and a member of the Board of Directors of Sistemas 4B and Santander Seguros, among other duties. Between 2005 and 2010, she worked as Corporate Director of Human Resources at Santander Group and, between 2003 and 2005, as Managing Director of Santander Global Banking and Markets, where she participated in the design of the new global corporate client management model. Previously, Ms Bolado work in different areas related to financial products, investment banking and capital markets.

Additionally, Ms Ana Bolado Valle has been a member of the board of directors of Sistema 4B, S.A., Santander Seguros y Reaseguros Compañía Aseguradora, S.A., Santander de Titulización – Sociedad Gestora de Fondos de Titulización, S.A. Among others, she is part of the *Instituto de Consejeros-Administradores* and is a jury member of the YUZZ Entrepreneurship Awards for women entrepreneurs. Ms Ana Bolado Valle received the

UNICEF ESPAÑA Gold Medal for the implementation of Perpetual Bond within the financial community.

2.2 Report by the Appointments and Remuneration Committee and evaluation of the candidate

On late 2017, the Appointments and Remuneration Committee in view of the following:

- (i) the number of Board members, which was fixed at seven directors, by the sole shareholder in that moment;
- (ii) the shareholding structure of the Company;
- (iii) the resignations tendered by Mr. Fredrik Arp and Mr. Javier Abad Marturet through the corresponding letters sent to all Board members explaining the reasons for the resignation; and
- (iv) the quantitative and qualitative composition of the Board of Directors, in which, at that time, there was a vacancy;

analyzed the current structure and composition of the Board, as well as the knowledge, competencies, experience and needs of the member of the Board.

During this process, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the foregoing, the Committee concluded that, in light of the current shareholder structure of the Company and the number of the directors — currently established at seven by the then sole shareholder of the Company—, that an independent director must be appointed.

In this regard, the Appointments and Remuneration Committee took into account on its proposal of designation by means of the co-option system:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to her appointment as independent director of the Company;
- (ii) her potential contributions as independent director, giving her point of view and knowledge of the market;

- (iii) her highly qualified professional profile that is appropriate for performing the duties of independent director, and her demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and
- (iv) the needs of the Board of Directors with respect to the members who make it up.

All the above made clear that her designation as independent director of the Company would provide significant advantages to this management body, and thus, the Committee proposed her as independent director of the Company by means of the co-option system, which has been approved by the members of the Board at their meeting on 28 November 2017.

Moreover, the Appointments and Remuneration Committee deems that, considering her profile and professional career, Ms Ana Bolado Valle will exercise her duties as director with the loyalty of a faithful representative, acting in good faith, in the best interest of the Company, responsible, and with freedom and independence of judgement, as shown by her professional track record. Furthermore, the Appointments and Remuneration Committee considers that Ms Ana Bolado Valle will devote the necessary time to carry out her tasks effectively and is sufficient available for the proper development of her functions.

Furthermore, this designation contributes to reach the 2020 target on number of female directors of at least 30% of the total Board members in line with the Directors' Selection Policy.

2.3 Justification

Within the framework of the above, and in accordance with the provisions of the Directors Selection Policy, the Board of Directors considers that the track record and CV of Ms Ana Bolado Valle accredits her competence and merits to continue serving as director. Her extensive experience and knowledge guarantee appropriate continuity in the management of the interests of the Company. Additionally, having her as member of the Board of Directors is in line with the policy and commitment of the Company with a diverse structure of the Board of Directors.



This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.

2.4 Category

Ms Ana Bolado Valle will not represent any shareholder on the Board of Directors nor will exercise executive tasks. In accordance with applicable law, the candidate will therefore have the category of independent director of the Company.

2.5 Conclusions of the Board of Directors

In light of the above, the Board of Directors considers the appointment of Ms Ana Bolado Valle justified and issues a favorable report on her appointment as director of the Company on the understanding that she will support the continuity in the management of the Company and its group supporting the proposal of the Appointments and Remuneration Committee.

Madrid, 7 February 2018.

ANNEX

PROPOSAL PREPARED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE RATIFICATION AND RE-ELECTION AS INDEPENDENT DIRECTOR OF MS ANA BOLADO VALLE, INCLUDED ON ITEM 7.2 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH AT THE FIRST CALL AND 22 MARCH 2018 AT THE SECOND CALL

1. INTRODUCTION

This proposal from the Appointments and Remuneration Committee of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”) in accordance with the provisions of paragraph 4 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*) approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to propose for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.2 of the agenda.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who do not have the category of independent directors (as in this case) corresponds to the Board of Directors.

Purpose of the Proposal

2. PURPOSE OF THE PROPOSAL

The proposal is prepared with the aim of complying with the provisions of paragraph 4 of article 529 *decies* of the Spanish Companies Act.

3. ASPECTS CONSIDERED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE

On late 2017, the Appointments and Remuneration Committee in view of the following:

- (i) the number of Board members, which was fixed at seven directors, by the sole shareholder in that moment;
- (ii) the shareholding structure of the Company;

(iii) the resignations tendered by Mr. Fredrik Arp and Mr. Javier Abad Marturet through the corresponding letters sent to all Board members explaining the reasons for the resignation; and

(iv) the quantitative and qualitative composition of the Board of Directors, in which, at that time, there was a vacancy;

analyzed the current structure and composition of the Board, as well as the knowledge, competencies, experience and needs of the member of the Board.

In this context, the Appointments and Remunerations Committee evaluated the professional and biographical profile of the candidate:

Ms Ana Bolado Valle has over 31 years of management experience in an international environment within the Santander Group. Within the Santander Group, Ms Bolado has been Corporate Director of Digital Strategy and Business in Santander Universidades, where she was responsible for, among others, designing and implementing new digital models and negotiating global agreements with relevant digital companies. From 2013 to 2015, Ms Bolado was Corporate Director T&O for Santander Universidades. From 2010 to 2013, she was the Director for Commercial Strategy and Business Development in Commercial Banking in Spain, where she also was a member of the Management Committee of Banco Santander España and a member of the Board of Directors of Sistemas 4B and Santander Seguros, among other duties. Between 2005 and 2010, she worked as Corporate Director of Human Resources at Santander Group and, between 2003 and 2005, as Managing Director of Santander Global Banking and Markets, where she participated in the design of the new global corporate client management model. Previously, Ms Bolado work in different areas related to financial products, investment banking and capital markets.

Ms Ana Bolado Valle has been a member of the board of directors of Sistema 4B, S.A., Santander Seguros y Reaseguros Compañía Aseguradora, S.A., Santander de Titulización – Sociedad Gestora de Fondos de Titulización, S.A. Among others, she is part of the *Instituto de Consejeros-Administradores* and is a jury member of the YUZZ Entrepreneurship Awards for women entrepreneurs. Ms Bolado received the UNICEF

ESPAÑA Gold Medal for the implementation of Perpetual Bond within the financial community.

Ms Ana Bolado Valle has a degree in pharmacy by the *Universidad Complutense de Madrid* and an MBA at IE Business School.

In the mentioned procedure, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the foregoing, and considering that the number of Board members was been fixed at seven, this Committee concluded that, a director had to be appointed.

In this regard, and in connection with the designation of the mentioned independent director, this Committee has taken into consideration:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to her appointment as independent director of the Company;
- (ii) her potential contributions as independent director, giving her point of view and knowledge of the market;
- (iii) her highly qualified professional profile that is appropriate for performing the duties of independent director, and her demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and
- (iv) the needs of the Board of Directors with respect to the members who make it up.

All the above made clear that her designation as independent director of the Company would provide significant advantages to this management body, and thus, the Committee proposed her as independent director of the Company by means of the co-option system, which has been approved by the members of the Board at their meeting on 28 November 2017.

Moreover, the Appointments and Remuneration Committee deems the designation of Ms Ana Bolado Valle appropriated considering (i) the shareholding structure of the Company (ii) the prospective quantitative composition of the Board of Directors after the General Meeting of Shareholder and (iii) the performance of Ms Ana Bolado Valle. In this regard, the Committee

considers that the current circumstances justify the ratification and re-election of Ms Ana Bolado Valle. Moreover, the Appointments and Remuneration Committee deems that, considering her profile and professional career, Ms Ana Bolado Valle is going to exercise her duties as director with the loyalty of a faithful representative, acting in good faith, in the best interest of the Company and responsible and with freedom and independence of judgement, as shown by her professional track record. Furthermore, the Appointments and Remuneration Committee has considered that Ms Ana Bolado Valle is going to devote the necessary time to carry out her tasks effectively and is sufficient available for the proper development of her functions. Given the above, the Appointments and Remuneration Committee considers to be appropriate the reappointment of Ms Ana Bolado Valle as director of the Company.

Therefore, the Committee deems that her professional profile, career and international recognition prove that she counts with the required skills, expertise, merits to carry out her tasks as director of the Company.

According to the Directors' Selection Policy the Appointments and Remuneration Committee has verified, to the extent possible, that there are no incompatibilities, prohibitions or conflicts of interest involved, as established by the law or as provided in the system of corporate governance; and that the procedures for selecting Board members has not involved any implicit bias that may imply any form of discrimination and, in particular, that they do not obstruct the selection of female directors

Furthermore, this designation contributes to reach the 2020 target on number of female directors of at least 30% of the total Board members in line with the Directors' Selection, Policy.

4. CATEGORY OF DIRECTOR TO WHICH SHE BELONGS OR MUST BE ASSIGNED

Ms Ana Bolado Valle will not represent any shareholder on the Board of Directors nor will exercise executive tasks. In accordance with applicable law, the candidate will therefore have the category of independent director of the Company.

5. CONCLUSIONS OF THE APPOINTMENTS AND REMUNERATION COMMITTEE.

In light of the above, the Appointments and Remuneration Committee considers the appointment of Ms Ana Bolado Valle that he meets the appropriate competence, experience and merits requirements to serve the position of director of the Company under conditions established by Law and regulation, and consequently, submits for the approval of the General Meeting Of Shareholders the proposal of ratification and re-election of Ms Ana Bolado Valle as independent director of the Company.

6. PROPOSED RESOLUTION

The proposed resolution submitted for the approval of the General Shareholders Meeting reads as follows:

“ITEM 7.2 OF THE AGENDA

Ratification and re-election of Ms Ana Bolado Valle as director, with the category of independent director, for the statutory period of four years.

Ratify the resolution adopted by the Board of Directors at its meeting held on 28 November 2017 by virtue of which it designated Ms Ana Bolado Valle, of legal age, of Spanish nationality with National Identification Number [...] in force and with domicile for these purposes at Paseo de la Castellana, 216, planta 16, 28046 Madrid, Spain, as independent director by the co-option system; and based on the proposal of the Appointments and Remuneration Committee, re-elect her as director of the Company with the category of “independent director”.

The proposed re-election is accompanied by a supporting report from the Board, evaluating the competence, experience and merits of Ms Ana Bolado Valle. This report and the mentioned proposal have been made available to the shareholders as from the publication of the notice of the General Meeting of Shareholders.

Ms Ana Bolado Valle may accept her appointment by any means valid in law.”

Madrid, 7 February 2018.