

APPENDIX 1

ANNUAL REPORT ON THE REMUNERATION OF THE DIRECTORS OF PUBLICLY TRADED COMPANIES

IDENTIFYING DATA OF ISSUER

CLOSING DATE OF THE FINANCIAL YEAR OF REFERENCE 30/09/2018

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COMPANY NAME

PARQUES REUNIDOS SERVICIOS CENTRALES, S.A.

REGISTERED ADDRESS

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SAMPLE OF ANNUAL REPORT ON THE REMUNERATION OF THE DIRECTORS OF PUBLICLY TRADED COMPANIES

A COMPANY REMUNERATION POLICY FOR THE CURRENT YEAR

A.1 Explain the Company's remuneration policy. This section is to include information on:

- General principles and bases of the remuneration policy.
- Most significant changes made in the remuneration policy with respect to that applied in the previous year, as well as any changes made over the year in the conditions for exercising the options already granted.
- The criteria used and the composition of the comparable company groups whose remuneration policies have been examined to establish the Company's remuneration policy.
- Relative importance of the variable remuneration items with respect to the fixed, and the criteria followed to determine the different components of the directors' remuneration package (remuneration mix).

Explain the remuneration policy

The current Remuneration Policy was approved on 21 March 2018 by the Shareholders General Meeting of Parques Reunidos Servicios Centrales, S.A. (the "Company") after the amendment of the Remuneration Policy approved on 13 April 2016 by the then sole shareholder of the Company, which had already been modified on 16 March 2017 by the Ordinary Shareholders General Meeting of the Company. The Company's relevance and economic situation have been taken into account when drafting the Remuneration Policy, together with the standards adopted by similar companies. In this regard, the Remuneration Policy maintains an appropriate balance between the Company's long-term profitability and sustainability. In addition, it includes the precautions needed to avoid excessive assumption of risk and the remuneration of unfavorable Company results. In this regard, the Remuneration Policy complies with (i) the need to align the interests of the directors with those of the Company; and (ii) the legal requirements set on the Spanish Companies Act (*Ley de Sociedades de Capital*).

The directors remuneration for the exercise of their duties is based on the following general principles:

- Talent attraction and retention: The Remuneration Policy aims to establish a competitive remuneration in the market with the aim of attracting and retaining talent that contributes towards the creation of value.
- Long-term sustainability: The remuneration will be suitable with the Company's long-term strategy, values, objectives and interests, and will include provisions to prevent conflicts of interest.
- Internal and external equality: The Remuneration Policy will foster internal equality by setting objective criteria to determine remuneration in accordance with the powers, duties, responsibilities and positions of each of the directors. It will also foster external equality by taking into consideration the Company's position in the sector and other similar companies remuneration.
- Transparency: The guidelines used to determine the remuneration will be explicit and made known so that at the start of each year or when the Shareholders General Meeting is held, the maximum amount of remuneration of the Board of Directors and the requirements for receiving this remuneration are known in advance.
- Simplicity and individualization: The rules applicable to the remuneration management will be drafted clearly and concisely, simplifying as much as possible the description, calculation methods and requirements for obtaining the remuneration.

In accordance with the provisions of the Bylaws and the Board of Directors Regulations, the remuneration of directors acting as such is made up of: (i) a fixed annual assignment; (ii) per diem allowances; and (iii) remuneration in shares or linked to its performance. Variable remuneration is generally limited to executive directors, although external directors may participate in remuneration schemes that involve the delivery of shares if this remuneration depends on maintaining ownership of the shares while they remain in the position of director (see section A.4).

On 21 March 2018, the Shareholders General Meeting modified the maximum annual amount of the remuneration to be received by the directors acting as such, increasing it to 1,100,00 euros from the 805,000 euros set on 13 April 2016 by the then sole shareholder.

In any event, the remuneration of executive directors must consider the following elements: (i) a fixed annual remuneration that aims to compensate the level of responsibility, hierarchical position and experience; (ii) a variable annual assignment linked to the achievement of certain targets set at the proposal of the Appointments and Remunerations Committee ("ARC") and referenced to the fixed remuneration; (iii) a variable long-term remuneration linked to the achievement of certain long-term targets set at the proposal of the ARC and linked to the Company's share price; (iv) possible compensation for termination of contract that in no case may give rise to remuneration for negative results of the Company; and (v) amounts paid as insurance premiums or contributions to savings or pension schemes.

During the fiscal year ended on 30 September 2018, the Company only had one executive director who, since 28 January 2016 happened to be the Company's CEO (see section E.1). In accordance with the contract entered into between the CEO and the Company, he has the right to an annual fixed remuneration of 600,000 euros. As an executive director, the CEO received a gross remuneration of 708,000 euros during the financial year ended on 30 September 2018 (this amount includes fixed and variable remuneration effectively paid during the financial year).

To determine the Remuneration Policy, the Company has considered the remuneration of directors and senior management in other companies of a similar size, characteristics, relevance and activity. The result of this analysis is that, in the opinion of the Company, the remuneration of its directors is within a reasonable range with respect to the market. Given that the only director who received variable remuneration was the CEO, the importance of the variable remuneration items with respect to fixed items is limited.

A.2 Information on the preparatory work and the decision-making process followed to determine the remuneration policy, as well as the role that may be played by the Remunerations Committee and other control bodies in determining the remuneration policy. This information will, where appropriate, include the mandate and composition of the Remuneration Committee and the identity of the external advisers whose services have been used to define the remuneration policy. The nature of any of the directors who may have been involved in defining the remuneration policy must also be stipulated.

Explain the process for determining the remuneration policy

The initial Remuneration Policy was approved on 13 April 2016 by the then sole shareholder of the Company, before the Company's stock market floatation. In preparing the Remuneration Policy, the Company's relevance and economic situation were taken into account as well as the market standards adopted by similar companies, in addition to the advice from a prestigious external advisor (e.g. KPMG Abogados, S.L.). This remuneration policy was amended on 16 March 2017 by the Shareholders General Meeting, replacing the previous one.

On 21 March 2018, acting on the reasoned proposal of the Board of Directors and after the report from the Appointments and Remuneration Committee, the Shareholders General Meeting of the Company approved a new Remuneration Policy that substituted and replaced the previous one. Specifically, the new Remuneration Policy, modifies: (i) some aspects of the directors annual fixed remuneration (section 4.3.1); (ii) some aspects regarding the maximum annual remuneration amount of the Board members acting as such (section 4.3.3); (iii) some aspects regarding the agreements entered by the Company and the executive directors (section 5.2); and (iv) the annual variable remuneration of the Company's executive directors by establishing a new long-term incentive plan compatible with the one originally set (section 5.3.2.2), leaving the other terms of the policy unchanged.

Under paragraphs 5 and 6 of Article 15 of the Board of Directors Regulations, the Appointments and Remuneration Committee's duties will include the following regarding the remuneration of directors:

- Propose to the Board of Directors the remuneration policy of directors and general managers, or those who perform senior management duties directly answerable to the Board, to executive committees or to chief executive officers; as well as the individual remuneration and other contractual conditions of executive directors, monitoring them and ensuring that they are observed;
- Propose the individual remuneration of the executive directors and other basic contractual conditions, as well as the conditions of any future agreements for termination for approval by the Board of Directors, including any future compensation that may be set in the case of early termination of duties and the amounts to be paid by the company as

insurance premiums or as contributions to savings schemes, in accordance in all cases with the provisions of the Company's internal regulations, and in particular the Remuneration Policy;

- Regularly revision of the Remuneration Policy, including share-based payment schemes and their application; and propose their modification and update to the Board of Directors for subsequent submission to the Shareholders General Meeting; and
- Review the amount of annual remuneration of the directors.

The directors participating in the definition on the current Remuneration Policy were Mr. Peter James Long (former chairman and independent director), Mr. Nicolás Villén Jiménez (independent director), Mr. Dag Erik Johan Svanstrom (independent director) and Mr. Colin Hall (proprietary director).

At the end of the financial year addressed in this report, the Appointment and Remuneration Committee is made up of the following five members (four independent directors, with one of them acting as chairwoman of the Committee, and one proprietary director):

- Ms Ana Bolado Valle (chairwoman), independent director and member of the Committee since 7 February 2018. Chairwoman of the Committee since 17 July 2018.
- Mr. Nicolás Villén Jiménez (member), independent director and member of the Committee since 13 April 2016.
- Mr. Dag Erik Johan Svanstrom (member), independent director and member of the Committee since 28 July 2016.
- Ms. Jackie Kermaghan (member), independent director and member of the Committee since 17 July 2018.
- Mr. Colin Hall (member), proprietary director and member of the Committee since 8 May 2017.

The current composition of the Appointments and Remuneration Committee meets the requirements established under Article 15.1 of the Board of Directors Regulations, as it consists of a number of between three and five non-executive directors, with the majority being independent directors, specifically 80 %.

In the preparatory work and the decision-making process carried out in order to define the remuneration policy, the Company has taken into account the usual practices in the Spanish market and in comparable entities, given the Company's size, characteristics and activity.

The Board of Directors Regulations also stipulates that the ARC may receive advice from external professionals to enhance the performance of its duties. In this regard, the Appointments and Remuneration Committee is continuously supported by prestigious external advisors to define and execute the remuneration policy of the Company's executive director (e.g. Ernst & Young).

A.3 Indicate the amount and nature of the fixed components, breaking down where necessary the performance-based remuneration of the senior management duties of executive directors, the additional remuneration as chairman or member of a committee of the Board of Directors, per diem allowances paid for participation on the Board and its committees, or other fixed remuneration as director, as well as an estimate of the fixed annual remuneration this gives rise to. Identify other benefits not paid in cash and the basic parameters by which they are granted.

Explain the fixed components of remuneration

In accordance with the provisions of the Bylaws of the Company (art. 30.4) and the Remuneration Policy, the executive directors have the right to receive an annual fixed remuneration. The amount shall be set in the corresponding service contract. This fixed remuneration is set on the basis of the responsibility assumed, the hierarchical position and the experience of the executive director concerned. In addition, the remuneration takes into account the characteristics of the work carried out and the dedication required.

The CEO has the right to receive a fixed remuneration for the performance of his executive duties, by virtue of the contract entered into with the Company. At the end of the financial year, in accordance with the service contract entered into and the Remuneration Policy, the fixed remuneration of the CEO amounts 600,000 euros per year. During the fiscal year ended on 30 September 2018, the CEO received a gross fixed remuneration in cash of 600,000 euros (this amount does not include the payments in kind explained in sections A.5 and A.10, for a total amount of 9,584 euros) (see section E.1).

On 21 March 2018, the Shareholders General Meeting modified the maximum annual amount of remuneration to be received by the directors acting as such, increasing it up to 1,100,00 euros from the 805,000 euros set on 13 April 2016, in view of the stock market floatation of the Company by the then sole shareholder. The maximum remuneration includes the annual fixed assignment, per diem allowances and remuneration in shares or linked to its performance. This amount do not include the remuneration that correspond to the Company's executive directors for fixed salary, variable remuneration or any other concept.

On 13 April 2016, the Board of Directors agreed to distribute the fixed remuneration as follows:

- Chairman of the Board of Directors: 225,000 euros gross per year.
- External directors: 65,000 euros gross per year.
- Extra for membership of the Audit and Control Committee: 25,000 euros gross per year.
- Extra for membership of the Appointments and Remuneration Committee: 25,000 euros gross per year.

The referred distribution, which continues in force at year-end, has taken into account the positions held by the directors on the board itself, as well as their membership and attendance to the Board of Director's committees. Apart from the above, the directors of the Company do not receive additional remuneration in the form of per diem allowances. However, the costs associated with travel and stays when attending meetings of the Board of Directors and its committees are paid if they are duly justified.

The amounts indicated above correspond to the entire fiscal year. If any director is a member of the Board of Directors or of one or several committees for a period other than the entire fiscal year, the amount will be calculated pro rata.

If the number of members of the Board of Directors is increased within the limit set in the Bylaws, the fixed remuneration to be received by any new non-executive director shall be determined in accordance with the above conditions. If, as a result of the increase in the number of members of the Board of Directors, the total amount to be paid to the directors acting as such is higher than the annual maximum amount of remuneration to be received by the directors acting as such, the Board of Directors will be entitled to proportionally reduce the amounts above, so that the global amount falls within the annual maximum limit abovementioned.

Within the limit of the annual maximum amount of remuneration to be received by the members of the Board of Directors acting as such, the amounts described above may be increased at the discretion of the Board of Directors by up to 15 % while this Policy is in force, unless the Shareholders General Meeting approves a different amount in the future.

As of the date of this report, the maximum annual amount of 1,100,000 euros and its distribution have not been subject to any modification.

A.4 Explain the amount, nature and main characteristics of the variable components of the remuneration schemes.

In particular:

- Identify each of the remuneration plans from which the directors benefit, their scope, date of approval, date of implementation, validity period, and their main characteristics. In the case of schemes for share options and other financial instruments, the general characteristics of the plan will include information on the conditions for exercising these options or financial instruments for each plan.
- Indicate any remuneration from profit-sharing or bonus schemes and the reason for which it is awarded.
- Explain the fundamental parameters and basis for any annual bonus scheme.
- The types of directors (executive directors, external proprietary directors, independent external directors or other external directors) who benefit from remuneration schemes or plans that include a variable remuneration.
- The basis of these variable remuneration schemes or plans, the criteria chosen for evaluating the performance, as well as the components and methods for evaluation to determine whether certain evaluation criteria have been met or not and an estimate of the absolute amount of the variable remuneration to which the current remuneration plan would give rise to, according to the level of compliance with the hypotheses or targets used as a reference.
- Where appropriate, information should be given on the vesting periods or deferred payment periods established and/or the periods for which shares or other financial

instruments must be held, if there are such.

Explain the variable components of the remuneration schemes

Under the Company's Remuneration Policy, only executive directors can receive a variable component as part of their remuneration. The variable component of the remuneration of the executive directors is made up of (A) an annual variable remuneration or bonus and (B) a long-term variable remuneration.

(A) Annual variable remuneration or bonus:

The annual variable remuneration or bonus aims to motivate and compensate the Company's growth and is linked to compliance with the targets set for the executive director each year, as proposed by the ARC, taking into account the historical data available and the future results. In any event, the annual variable remuneration must be calculated with reference to the fixed remuneration and in accordance with the customs and practice of the Company with respect to its workers.

In the specific case of the CEO, the maximum amount he will be eligible to receive as annual variable remuneration shall be 120 % of the fixed remuneration (the "Incentive Plan"). Two thirds of the remuneration granted under the Incentive Plan must be paid in cash and a third in Company shares. The final amount will be determined by the ARC in accordance with the level of achievement of the following targets: (i) a target based on the consolidated business results, measured in terms of earnings before interest, taxes, depreciation and amortization (EBITDA), weighted at 80 %; and (ii) a target relating to the specific performance the duties inherent to the position itself, which will be monitored by the ARC, weighted at 20 %.

In this respect, it is stated that the target associated with the EBITDA, in the year addressed in this report, is measured as follows: (i) 25 % achievement if the EBITDA equals to 85 % of the EBITDA budgeted before contingencies ("entry"); (ii) 100 % achievement if the EBITDA equals to the EBITDA budgeted before contingencies ("target"); and (iii) lineal fulfilment between entry and target.

As for the target regarding the specific performance of duties inherent to the position, it is a qualitative target associated with the director's individual performance during the year, considering various factors, such as corporate growth, performance of leadership functions, fulfilment of the business plan, among others, and which was not associated with EBITDA performance.

The delivery of shares under the Incentive Plan may be carried out through issuing units, called Performance Stock Units (PSUs), which grant the right to receive the corresponding shares. Their transformation may be subject to the beneficiary remaining as director of the Company.

The exact number of PSUs to be received by the CEO is linked to meeting the quantitative targets mentioned above (80 % depending on the level of achievement of the target relating to EBITDA and 20 % to the level of achievement of the remaining target).

In any event, the CEO may receive PSUs up to a maximum amount equivalent to a third of the 120 % of his fixed remuneration, in other words 40 % of his fixed remuneration (depending on the extent to which he meets his target, this amount may vary between a minimum of 0 % and a maximum of 40 % of his fixed remuneration). For this purpose, the value of each PSU shall be equal to the Company's average share price for the thirty stock-market business days prior to the date the PSUs are granted. The PSUs shall be granted every year immediately after the publication of the Company's annual results.

Each PSU may be exchanged for a share in the Company within three years from the closing date of the fiscal year in which the variable remuneration that authorised delivery of the respective PSU was accrued. The first PSUs delivered under this plan must be converted into shares as soon as possible after the closing of the fiscal year ending on 30 September 2020.

To receive the remuneration accrued under the Incentive Plan, the CEO must be in the Company at the time it is payable (except in certain special cases such as death, invalidity or retirement). In case of dismissal, the CEO may lose the right to receive the shares derived from the Performance Stock Units (PSUs) accrued, unless the dismissal is the result of an unjustified unilateral termination by the Company.

During the financial year ended on 30 September 2018, Mr Eiroa received an amount of 108,000 euros as annual variable remuneration against the financial year ended on 30 September 2017 and that overrule the forecasted amount set on the Annual Corporate Governance Report of the referred fiscal year. Regarding the variable remuneration for the year ended on 30 September 2018, it is expressly stated that on 4 October 2018 the CEO left the Company (see explanatory note 1). The financial conditions for its exit were set in the termination agreement of that same date ("Termination Agreement"). Although the financial conditions of the Termination Agreement are not relevant for the financial year addressed in this report, it is stated that under the Termination Agreement, it was considered that the target associated with the EBITDA had not been achieved and that the targets associated with its specific performance were achieved by 50 %, so that Mr Eiroa's variable remuneration for the financial year ended on 30 September 2018 was set at 72.000 euros, that is, 12 % of his annual fixed remuneration or 10 % of the maximum amount to be received as annual variable remuneration (that is,

120 % of his fixed remuneration).

(B) Long-term variable remuneration:

During the fiscal year ended on 30 September 2018, two long-term incentives plans (Long-Term Incentive Plan (LTIP) and New Long-Term Incentive Plan (New LTIP)) co-existed.

- Long-Term Incentive Plan (LTIP)

The Long-Term Incentive Plan was approved by the then sole shareholder before the stock market floatation by a decision adopted on 13 April 2016, as a long-term incentive plan ("LTIP"). The LTIP consists on the delivery of Company shares on various specific dates. It is designed for certain executives of the Parques Reunidos group and the CEO of the Company.

The LTIP will cover a four-year period, divided into two overlapped cycles. The first cycle began when the Company's shares were admitted to trading and the shares of the first cycle shall be delivered at the beginning of the third year after the beginning of the first cycle (that is, about April 2019). The second cycle started on 1 January 2017 and the delivery of the shares of this second cycle shall take place after 1 January 2020.

The LTIP consists on the delivery of performance stock units ("PSUs"). Under the LTIP, each PSU grants the right to receive a Company share if the beneficiary continues providing services in the Company at the close of each of the cycles. The number of PSUs will be determined dividing (i) the percentage of fixed salary established for each beneficiary, in accordance with a system of levels, by (ii) the average between the Company's share price at the start of each cycle and the average target price fixed for the closing date of each of the cycles.

The system of levels for setting the percentage of the fixed salary is based on four levels linked to the contribution made by each beneficiary to the value creation. The first level only includes the Company's CEO. The second level includes between 10 % and 12 % of the beneficiaries that contribute most to the creation of value, who usually answer to the CEO. The third level includes between 50 % and 55 % of the beneficiaries who have made an outstanding contribution to the creation of value. Finally, the fourth level includes between 30 % and 35 % of the beneficiaries who have made a significant contribution to the creation of value. The total number of beneficiaries, as well as the level to which each belongs, will be determined by the Board of Directors. The number of PSUs will be the result of dividing the base corresponding to each level by the average target price fixed for each cycle. The bases corresponding to each of the levels will be as follows:

- Level one: the fixed remuneration of the beneficiary at the start of the cycle.
- Level two: 50 % of the beneficiary's salary at the start of the cycle.
- Level three: 20 % of the beneficiary's salary at the start of the cycle.
- Level four: 10 % of the beneficiary's salary at the start of the cycle.

The maximum number of shares that may be delivered to the beneficiaries at the end of each cycle will be the result of dividing the amount allocated to this cycle by the average obtained between (a) the Company's share price; and (b) the average target price set at the beginning of each cycle.

In any case, the amount allocated to each cycle may not be over 2 million euros, although in exceptional cases this may be increased by 40 % in the first cycle. Moreover, the total number of shares to be granted based on the LTIP may not be more than 360,000. In any event, the number of shares to be delivered to each LTIP beneficiary will be conditioned by the degree of compliance with the following targets:

- (i) The increase in value of the Company's share price during a specific period of time. The target value will be set at the beginning of each cycle.
- (ii) The total shareholder return ("TSR") measured in terms relative to a comparable group. The TSR will be calculated at the end of each of the LTIP cycles. The level of achievement will be determined according to the result obtained by the Company in relation to a group of comparable companies.
- (iii) The TSR measured in terms relative to a group of fifteen listed companies considered relevant for comparison purposes. The TSR will be calculated at the end of each of the LTIP cycles. The level of achievement will be determined according to the result obtained by the Company in relation to a group of fifteen comparable companies to be determined by an investment bank appointed by the Company.

Beneficiaries will not be entitled to receive shares under the LTIP if they do not achieve the minimum level of compliance with these targets. In addition, in order for beneficiaries to have the right to receive the shares they may be entitled to, they must remain in the Company on each of the LTIP settlement dates.

In accordance with the Termination Agreement referred in the previous section (A) (see Explanatory Note 1), Mr. Eiroa has not received PSUs and, therefore, will not have the right to receive shares under this plan as the conditions for their accrual are not met.

- New Long-Term Incentive Plan (New LTIP):

The New Long-Term Incentive Plan was approved by the Ordinary Shareholders General Meeting held on 21 March

2018, and was set up as a new long-term incentive plan ("New LTIP"). The New LTIP aims to motivate and compensate senior managers allowing them to participate in the Company's long-term value creation. The new LTIP consists on the delivery of options over Company shares (stock options), redeemable through the delivery of shares. The New LTIP is aimed at certain executives of the Parques Reunidos group and the Company CEO.

Delivery of these stock options will take place effective from 1 January 2018. After three years from 1 January 2018, the stock options may be exercised for a period of four years, that is, from 2021 to 2024, in the conditions that will be stipulated.

The New LTIP grants its beneficiaries the right to hold a share of up to 4 % in the creation of Company value through the association of their remuneration and the long-term performance of the Company shares. In this regard, the number of options corresponding to each beneficiary is established on the basis of a multiple of the salary, which depends on the group of beneficiaries to which they belong. In the case of the CEO, the number of options allocated is 571,625 (equal to a maximum dilution of 0.71 %).

The number of stock options will be set by multiplying (i) the multiple of the fixed salary set for each beneficiary, in accordance with a system of levels, by (ii) the annualized fixed salary of each beneficiary. The system of levels to determine the fixed salary percentage will comprise four levels link to each beneficiary's contribution to the creation of value. The Company CEO is included in the first level, with a multiple of 1.64 times the annualized fixed salary.

The price of exercise of the stock options delivered as part of the New LTIP will be the higher of the following figures: (i) the price of the Company shares on the date of the stock market floatation, that is, 15.50 euros per share; or (ii) the price of the Company shares on 1 January 2018 (the "Exercise Price").

Each option will entitle its holder to receive the value increase of an equivalent number of shares. The benchmark is the reasonable market value of the shares at the time of exercise (that is, the market price of the Company shares at the time of exercise of the stock options (the "Benchmark Value"). In this regard, at the time of its redemption, each option will entitle its beneficiary to receive a compensation equivalent to the positive difference between the Benchmark Value and the Exercise Price ("Compensation"). Therefore, the total compensation obtained by the beneficiary with regard to the exercise of the options ("Total Compensation"), will be the result of multiplying (a) the Compensation; and (b) the number of options exercised.

The New LTIP sets a cash-less liquidation system for the options. At the time of redemption, the beneficiary will be entitled to receive a number of shares whose reasonable market value at the time of its exercise (set by the market price of the Company shares at that moment, that is, the Benchmark Value) equals to the Total Compensation. Consequently, the number of shares to be delivered will be the result of dividing (a) the Total Compensation; by (b) the Benchmark Value.

The New LTIP includes "very good leaver", "good leaver", and "bad leaver" clauses, which are usual in this kind of compensation scheme, which regulate the system for the redemption of stock options obtained in the event of the beneficiary leaving the Company, on the basis of the grounds for termination.

In this regard, according to the Termination Agreement, Mr Eiroa holds the right to redeem 192,629 corresponding to the elapsed period between the options effective granting date and the date of his termination. This options will be exercised under the same terms initially planned.

(C) Other extraordinary variable remuneration incentives

Peter James Long, former chairman and independent director (see section E.1), Dag Erik Johan Svanstrom and Nicolás Villén Jiménez (independent directors) are beneficiaries of a single and exceptional incentive linked to the acceptance of their positions as directors. This incentive consists on the delivery of the right to receive the Company's shares at the stock-market floatation price, without consideration.

These rights consist of restricted stock units ("RSUs"), which give the right to receive one share in the Company for each RSU. The number of RSUs granted to each independent director is equivalent to 50 % of the shares that would have been acquired by the said directors at the time of the Company's stock-market floatation. Specifically, Peter James Long, the former chairman and independent director, was assigned RSUs equivalent to 750,000 euros, while Dag Erik Johan Svanstrom and Nicolás Villén Jiménez were assigned RSUs equivalent to 250,000 and 125,000 euros, respectively.

The shares will be delivered three years after the Company's shares were admitted to trading on the stock market. The delivery is subject to the beneficiaries maintaining their position as directors for three years. The shares that may have been acquired during the five working days after the stock market floatation may also not be disposed of for a minimum period of three years (relative to the allocation of RSUs to Peter James Long, see section C.1). In any event, the three independent directors may not dispose of the shares while they remain directors. This prohibition on disposal of the shares will not affect shares acquired outside the framework of this exceptional and extraordinary incentive.

A.5 Explain the main characteristics of the long-term savings schemes, including retirement and any other annuity benefit, financed wholly or partially by the company, whether they

are provided internally or externally, with an estimate of their annual amount or equivalent cost, indicating the type of plan, whether it is a defined-contribution or defined-benefit scheme, the conditions for consolidating the financial rights in favor of the directors and their compatibility with any type of compensation for early termination or cancellation of the contractual relationship between the company and the director.

Also indicate the contributions made in favor of the director to defined-contribution pension schemes; or the increase in the director's vested rights in the case of contribution to defined-benefit schemes.

Explain the long-term savings schemes

In accordance with the Remuneration Policy, only executive directors may enjoy a remuneration consisting of contributions to pension plans, social insurance plans or life insurance schemes. The specific amount will be determined in the contracts entered into between the Company and each of the executive directors.

The CEO has the right to benefit from a pension plan amounting up to 100,000 euros per year, (to be considered part of the CEO's fixed remuneration) and a life insurance. As of the date of this report, the Company has not sign or made contributions to long-term savings schemes in favor of the CEO. During the year ended on 30 September 2018, the Company paid a total amount of 691 euros for an accident and life insurance policy (with a coverage up to 800,000 euros) in favor of the CEO.

A.6 Indicate any compensation agreed or paid in the case of termination of duties as a director.

Explain the compensation

Neither compensation was paid in the year ended on 30 September 2018 regarding director terminations nor for the termination of any service contract (see section E.1).

With respect to the compensation agreed with the executive director of the Company as of the year-end date, see section A.7 below.

A.7 Indicate the conditions that should be met by the contracts of the persons who exercise senior management duties as executive directors. Among other matters, include information on the duration, limits to amount of compensation, permanence clauses, minimum notice, including payment in lieu of the said notice, and any other clauses relating to contractual benefits, as well as compensation or severance packages for early cancellation or termination of the contractual relationship between the company and the executive director. Among the items to be included are agreements on exclusivity, conflicts of interest, exclusivity, permanence or loyalty and post-contractual non-competition.

Explain the conditions of the contracts of executive directors

During the financial year ended on 30 September 2018, the CEO was the Company's single executive director. The main contractual terms and conditions of his contract were, in addition to those relating to his remuneration, those indicated below:

a) Duration: indefinite.

b) Exclusivity: The CEO agrees to render services exclusively to the Company and to the Parques Reunidos group. Unless the Company's Board of Directors agrees to it in advance, the CEO may not engage in any other professional activity other than those of interests to the Parques Reunidos group.

Outside the normal working hours in which he provides services for the Company and the Parques Reunidos group, the CEO may engage in activities such as the management of his family assets, or charity, teaching, or religious activities and work of a similar nature, provided that such activities do not affect the performance of his duties, in accordance with the

indications of the corresponding service contract.

c) Post-contractual non-competition agreement: the CEO agrees not to engage in or develop the following activities for a period of two years calculated from the date on which his service contract terminates:

- Compete with the Company, or with any company in the Parques Reunidos group, either on his own behalf or for third parties, or to provide services for entities or companies whose activity may compete with that engaged in by the Company or any of the companies in its group, on the grounds that the activity is being engaged in, or the decision has been made to engage in it, at the date the contract was terminated.

- Directly or indirectly employ, contract or request the services of employees who, at the time of the termination of the contract, belong to the Company's workforce, or the workforce of any of the companies in the Parques Reunidos group.

- Directly or indirectly set up, either by himself or with third parties, any company or business with a similar company purpose as that of the Company or any company in the group in the same jurisdiction.

As compensation for this post-contractual restriction, the CEO has the right to an annual compensation equivalent to 85 % of the fixed remuneration agreed in the contract in force at the termination date. The CEO shall receive the compensation in identical monthly payments for the period during which the restriction on competition is in force. In the case of a breach of the non-competition agreement, the Company may retain and request the return of any monthly payments made as compensation. The Company also reserves the right to claim any corresponding damages if deems appropriate.

d) Termination: the contract may be terminated by mutual agreement between the Company and the CEO, at the request of the Company or of the CEO.

When both parties agree to terminate the contract, the consequences derived from the termination shall be determined by mutual agreement.

The said contract establishes that the Company may terminate the contract at any time for any reason or without reason. However, the Company must give three months' notice in writing of the termination of the contract, or release the CEO from his obligation to provide services with immediate effect but paying him the amount of fixed remuneration in force at any time corresponding to the period of notice that has not been complied with. The termination of the contract shall be immediate, with no notice being required, when it is based on a serious breach by the CEO of his duties, of the instructions of the Board of Directors or of his legal, statutory or contractual obligations.

If the grounds for the termination of the contract would have justified dismissal for disciplinary reasons, the CEO shall not have the right to any compensation or reparation of any kind. In any other case, the CEO shall have the right to receive the compensation provided for in the senior management contract that has been terminated.

In accordance with the applicable rules, the termination of the contract entered into by the Company with the CEO requires agreement by the Board of Directors with a two-thirds majority of its members. The contract entered into also allows the CEO to terminate the contract by giving at least three months' notice to the Company. In the case of a breach of the obligation to give notice, the CEO shall be obliged to pay the Company compensation equivalent to the amount of fixed remuneration in force at any time corresponding to the period of notice not given. If the Contract is terminated at the request of the CEO, he shall not be entitled to receive any compensation or reparation. By way of exception, if the CEO terminates the contract due to a prior serious breach by the Company of its obligations with respect to the CEO, the CEO shall have the right to receive the compensation agreed in cases of termination by the Company. With respect to the cases of termination or dismissal and their results (provided that they are not based on termination for disciplinary reasons), the contract entered into with the Company stipulates compensation for the CEO amounting to fifteen months of gross salary, expressly excluding any other remuneration. In addition, if the termination or dismissal is considered unfair under the law, the CEO shall have the right to receive compensation for termination of the employment relationship he previously had with the Company. This amount shall be calculated in accordance with the law in force at the time.

The referred contract was ratified by the Board meeting held on 6 June 2017 without any modification (see section E.1).

A.8 Explain any additional remuneration paid to directors as a consideration for services provided, other than those inherent to their position.

Explain the additional remuneration

As of the date of this report, no director provides any services other than those inherent to his position, so there is no additional remuneration paid under this item.

A.9 Indicate any remuneration in the form of advances, credits and guarantees, with an indication of the corresponding interest rate, its essential characteristics and the amounts that are repaid where appropriate, as well as the obligations assumed for them by way of guarantee.

Explain the advances, credits and guarantees granted

Not applicable.

A.10 Explain the main characteristics of remuneration in kind.

Explain the remuneration in kind

The Remuneration Policy stipulates that executive directors may receive some benefits in kind, in accordance with market practice.

The remuneration in kind of members of the Board of Directors is of very little importance, as they do not amount to more than 9,584 euros and are in favor of only one director. (i.e. the CEO).

The Company's Executive Director (see section E.1) receives remuneration in kind in the form of the use of a company car (whose lease is paid by the Company) for an annual cost of 8,893.56 euros. Additionally, the CEO has the right to benefit from a health insurance for him and his family (for a gross maximum amount of 690.48 euros per year).

A.11 Indicate the remuneration accrued by the director in virtue of the payments the publicly traded company makes to a third party in which he provides the services of director, when these payments aim to remunerate this director's services in the company.

Explain the remuneration accrued by the director in virtue of the payments the publicly traded company makes to a third party in which he provides the services of director

There is no accrued remuneration of this nature. However, see section A.12.

A.12 Any other remuneration item other than the above, whatever the nature of such remuneration or the group entity that pays it, particularly when it is considered a related operation or its issue distorts the true image of the total remuneration accrued by the director.

Explain other remuneration items

LPL Finance Limited, a company in which the former director Peter Long (see section E.1) has a holding, offered consulting services to the Company to support the former chairman of the Board of Directors in the course of his duties, for which said company received 25,000 pounds sterling per year. This service contract was canceled on 17 July 2018, date on which Mr Long announced his resignation.

During the term of the referred contract, the director considered that this contractual relationship did not affect the duties that this former director must perform as independent director, because it is not a significant amount in proportional terms, taking into account his remuneration as director of the Company and other activities. The operation referred to is innocuous for the Company's equity and it has been carried out in complete transparency, subject to market conditions. In addition, this operation was approved by the Board of Directors during the financial year ended on 30 September 2016, acting on a favorable report from the Audit and Control Committee, in accordance with current law.

A.13 Explain the actions adopted by the company in relation to the remuneration system to reduce exposure to excessive risks and adapt it to the company's long-term objectives, values and interests. This should where possible include a reference to: the measures implemented to guarantee that the remuneration policy reflects the company's long-term results; measures that establish an appropriate balance between the fixed and variable components of remuneration; measures adopted in relation to the categories of personnel whose professional activities have a material impact on the entity's risk profile; collection formulas or clauses that allow claims for the return of the results-based variable components of remuneration based on results when such components have been paid in accordance with data that have later been demonstrated to be manifestly incorrect; and measures to avoid conflicts of interest.

Explain the actions adopted to reduce risks

The Remuneration Policy has been designed in accordance with the strategic objectives and long-term results of the Company.

The medium and long-term variable remuneration plans implemented by the Company and described in section A.4 are limited to executive directors and are part of a multi-year framework. This guarantees that the evaluation process is based on long-term results that take into account the Company's underlying economic cycle, adjusting remuneration to the Company's long-term objectives, values and interests.

In addition, the Remuneration Policy for executive directors establishes a balance between the fixed and variable components of remuneration. In certain cases of non-compliance with targets, it allows the non-payment of variable remuneration. This ensures that remuneration is related to the professional performance of beneficiaries and not only linked to the general performance of the markets.

Thus, in accordance with the Remuneration Policy and the service provision contract entered into with the Company, together with its addenda and modifications, the variable remuneration of the CEO is limited to an amount equivalent to 120 % of his fixed salary and it is subject to meeting certain targets that are largely linked to business performance. In addition, following the modification of the Remuneration Policy made during the financial year ended on 30 September 2017, a third of the annual variable remuneration of the CEO shall be paid through granting units that give the right to receive shares after a three-years period (PSUs), thus also aligning the interests of the beneficiaries with those of the Company.

Likewise, the long-term incentive plan (LTIP and New LTIP) consists on granting units that give the right to receive shares after a three-years period (PSUs) and through the granting of options redeemable in shares after a three-year period, respectively, aligning the interests of the beneficiaries with those of the Company.

In addition, some of the independent directors (or former independent directors, as in the case of Peter James Long, see section E.1) have the right to receive shares in the Company as part of an exceptional incentive (see section A.4) approved within the framework of the Company's stock market floatation. The exercise of these rights is subject to directors remaining in the Company for a minimum period of three years and on not disposing the shares bought during the floatation (in the case of Peter James Long, see section C.1). Moreover, the three beneficiaries may not sell the shares received under this exceptional and extraordinary incentive until they are no longer directors.

B REMUNERATION POLICY PLANNED FOR FUTURE YEARS

Repealed.

C OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE LAST FISCAL YEAR

C.1 Give a summary of the main characteristics of the structure and remuneration items of the remuneration policy applied in the last fiscal year, on which the detailed individual remuneration accrued by each of the directors is based, as reflected in section D of this report, as well as a summary of the decisions taken by the board of directors to apply these items.

Explain the structure and remuneration items of the remuneration policy applied in the fiscal year

The structure and remuneration items of the Remuneration Policy applied in the fiscal year ended on 30 September 2018, were as follows:

On 21 March 2018, the Ordinary Shareholders General Meeting of the Company set the maximum annual amount of remunerations to be received by the directors acting as such at 1,100,000 euros. During the fiscal year ended on 30 September 2018, the following distribution approved by the Board was maintained:

- Chairman of the Board of Directors: 225,000 euros gross per year.
- External directors: 65,000 euros gross per year.
- Extra for membership of the Audit and Control Committee: 25,000 euros gross per year.
- Extra for membership of the Appointments and Remuneration Committee: 25,000 euros gross per year.

The directors of the Company did not receive additional remuneration in the form of per diem allowances. However, they were paid costs associated with travel and stays when attending meetings of the Board of Directors and its committees, provided that they were duly justified.

In addition, Peter James Long, former chairman and independent director (see section E.1), Dag Erik Johan Svanstrom, and Nicolás Villén Jiménez (independent directors) benefited from a single exceptional incentive, consisting of the delivery without any consideration of the right to receive shares at the stock market floatation price of the Company's shares, kept their rights (with no increases or reductions). Despite Peter James Long's resignation (see section E.1) before three years elapsed from the admission to trading of the Company shares, which was a condition precedent for obtaining the rights, the Extraordinary Shareholders General Meeting of the Company held on 4 October 2018 decided to full regard this incentive as applicable to Peter James Long.

These rights are in the form of restricted stock units ("RSUs"). They give the right to receive one share in the Company for each RSU. The number of RSUs was as follows:

- Peter James Long, the chairman of the Board, was assigned RSUs equivalent to 750,000 euros.
- Dag Erik Johan Svanstrom, independent director, was assigned RSUs equivalent to 250,000 euros; and
- Nicolás Villén Jiménez, independent director, was assigned RSUs equivalent to 125,000 euros.

The CEO, who is the only executive director (see section E.1), also has the right to receive a fixed remuneration of 600,000 euros per year, including any contributions to a private pension plan for up to 100,000 euros (see section A.5). During fiscal year ended on 30 September 2018, the CEO actually received a total fixed remuneration of 600,000 euros (this amount does not include the payment in kind referred to in sections A.5 and A.10, for a total amount of 9,584 euros).

During the fiscal year ended on 30 September 2018, as was the case in the previous year, only executive directors had the right to receive a variable remuneration (apart from the exceptional incentive for independent directors listed above).

The CEO, the Company's only executive director, received, on January 2018, an amount of 108,000 euros corresponding to the variable remuneration accrued during the year ended on 30 September 2017.

As of 21 March 2018, the Company's Shareholders General Meeting approved the new Remuneration Policy, without changing the short-term variable remuneration of the CEO at a maximum equivalent to 120 % of his annual fixed remuneration. The payment of this variable remuneration is subject to the achievement of certain quantifiable targets, and must be made as follows: two thirds in cash and a third in shares.

As anticipated in section A.4 and in accordance with the Termination Agreement regulating the financial conditions for the exit of Mr Eiroa from the Company, it was considered that (i) the target associated with the EBITDA had not been achieved; and (ii) the targets associated with its specific performance were achieved by 50 %, so that Mr Eiroa's variable remuneration was set at 72,000 euros, that is, 12 % of his annual fixed remuneration or 10 % of the maximum amount to be received as annual variable remuneration (that is, 120 % of his fixed remuneration).

With respect to long-term variable remuneration (LTIP), the Company appointed a prestigious consulting firm as advisor for the long-term incentive plan described in section A.4, consisting of the delivery of the Company's shares for a period of four years, divided into two cycles. During the fiscal year ended on 30 September 2018, the Company set the targets and conditions that the beneficiaries of the incentive plan must comply with in the second cycle.

In this context, as anticipated in Section A.4 and in accordance with the Termination Agreement, no shares corresponding to the second cycle were accrued as the targets to which he was subject were not achieved.

As for the long-term variable remuneration of the New LTIP, the Company also appointed a renowned consultancy firm as advisor regarding the new long-term incentive plan described in section A.4, consisting in the delivery of redeemable options into Company shares effective from 1 January 2018. During the financial year ended on 30 September 2018, the Company set the beneficiaries of the incentive plan. In this context, in accordance with the Termination Agreement Mr Eiroa maintains the right to exercise 192,629 options corresponding to the elapsed period between the options effective granting date and the date of his termination. These options would be exercisable under the same terms initially planned.

D DETAILS OF THE INDIVIDUAL REMUNERATION ACCRUED BY EACH OF THE DIRECTORS

Name	Type	Accrual period fiscal year 2016
RICHARD GOLDING	Other External	From 17/07/2018 to 30/09/2018
COLIN HALL	Proprietary	From 01/10/2017 to 30/09/2018
JACKIE KERNAGHAN	Proprietary	From 21/03/2018 to 30/09/2018
CARLOS ORTEGA ARIAS-PAZ	Proprietary	From 21/03/2018 to 30/09/2018
MARIO ARMERO MONTES	Proprietary	From 21/03/2018 to 30/09/2018
PETER JAMES LONG	Independent	From 01/10/2017 to 17/07/2018
FÉLIX FERNANDO EIROA GIMÉNEZ	Executive	From 01/10/2017 to 30/09/2018
JAVIER FERNÁNDEZ ALONSO	Proprietary	From 01/10/2017 to 30/09/2018
ANA BOLADO VALLE	Independent	From 29/11/2017 to 30/09/2018
DAG ERIK JOHAN SVANSTROM	Independent	From 01/10/2017 to 30/09/2018.
NICOLÁS VILLÉN JIMÉNEZ	Independent	From 01/10/2017 to 30/09/2018.

D.1 Complete the following tables with the individual remuneration of each of the directors (including remuneration for executive duties) accrued over the fiscal year.

a) Remuneration accrued in the company that is the subject of this report:

i) Remuneration in cash (thousands of euros)

Name	Salary	Fixed remuneration	Per diem allowances	Short-term variable remuneration	Long-term variable remuneration	Remuneration for belonging to the Board committees	Compensation	Other items	Total 2018	Total 2017
DAG ERIK JOHAN SVANSTROM	0	65	0	0	0	50	0	0	115	115
NICOLÁS VILLÉN JIMÉNEZ	0	65	0	0	0	50	0	0	115	115
MARIO ARMERO MONTES	0	34	0	0	0	0	0	0	34	0
JACKIE KERNAGHAN	0	34	0	0	0	5	0	0	39	0
JAVIER ALONSO FERNÁNDEZ	0	65	0	0	0	25	0	0	90	45
PETER JAMES LONG	0	179	0	0	0	20	0	0	199	250
COLIN HALL	0	65	0	0	0	25	0	0	90	38
ANA BOLADO VALLE	0	55	0	0	0	32	0	0	87	0
CARLOS ORTEGA ARIAS-PAZ	0	34	0	0	0	0	0	0	34	0
RICHARD GOLDING	0	46	0	0	0	0	0	0	46	0
FÉLIZ FERNANDO EIROA GIMÉNEZ	600	0	0	108	0	0	0	10	718	696

ii) Share-based remuneration schemes

FELIX FERNANDO EIROA GIMÉNEZ Long-term Incentive Plan (LTIP) Second cycle										
Implementation date	Option ownership at start of the financial year 2018					Options allocated during the financial Year 2018				
	No. Options / Affected shares	Exercise price (€)	Financial year period			No. Options	Affected shares	Exercise price price (€)	Exercise period	
04/03/2018	50,785 / 60,943	0.00	March 2019			0	0	0	0	
Conditions: See section A.4 regarding liquidation of the New LTIP as Mr Eiroa exited the Company										
Shares delivered in the financial year 2018		Options exercised in the financial year 2018				Op. due and not exercised	Options at end financial year 2018			
No. of shares	Price / Amount	Exercise price (€)	No. Options	Affected shares	Gross Profit (th€)	No. Options	No. Options	Affected Shares	Exercise price (€)	Exercise period
0	0.00 / 0	0.00	0	0	0	0	0	0	0	0
Other exercise requirements: 0										

FELIX FERNANDO EIROA GIMÉNEZ
New long-term Incentive Plan (New LTIP)

Implementation date	Option ownership at start of the financial year 2018			Options allocated during the financial Year 2018			
	No. Options / Shares affected	Exercise price (€)	Financial year period	No. Options	Affected shares	Exercise price price (€)	Exercise period
21/03/2018	0 / 0	0.00	N/A	571,625	0	15.50	From 2021 to 2024

Conditions: Options will be deemed in shares in accordance with the following formula: Options deemed x (Total Compensation / Reference Value). See A.4.

Shares delivered in the financial year 2018		Options exercised in the financial year 2018				Op. due and not exercised	Options at end financial year 2018			
No. of shares	Price Amount	Exercise price (€)	No. Options	Affected shares	Gross Profit (th€)	No. Options	No. Options	Affected Shares	Exercise price (€)	Exercise period
0	0.00 0	0.00	0	0	0	0	571,625	0	15.50	From 2021 to 2024

Other exercise requirements: In accordance with the stated in the Termination Agreement, Mr Eiroa is entitled to exercise 192,629 options after his exit from the Company. See section A.4.

iii) Long-term savings schemes

Name	Yearly Company's contribution (thousand €)		Accumulated funds (thousand €)	
	Fiscal year 2018	Fiscal year 2017	Fiscal year 2018	Fiscal year 2017
FELIX FERNANDO EIROA GIMENEZ	0	0	0	0

iv) Other benefits (thousands of euros)

FÉLIX FERNANDO EIROA GIMÉNEZ				
Remuneration in the form of advances, credits granted				
Interest rate of the operation		Essential characteristics of the operation		Amounts actually repaid
0.00		N/A		N/A
Life insurance premiums		Guarantees set up by the company in favor of the directors		
Fiscal year 2017	Fiscal year 2018	Fiscal year 2018		Fiscal year 2017
1	1	N/A		N/A

c) Summary of remuneration (thousands of euros):

The summary must include the amounts corresponding to all the remuneration items included in this report that have been accrued by the director, in thousands of euros:

In the case of long-term savings schemes, this amount will include the contributions or provisions made to these kinds of schemes:

Name	Remuneration accrued in the Company				Remuneration accrued in the group's companies				Total		
	Total remuneration in cash	Amount of shares granted	Gross gain from the options exercised	Total 2018 company	Total remuneration in cash	Amount of shares delivered	Gross gain from the options exercised	Total 2018 group	Total 2018	Total 2017	Contribution to savings schemes during the year
ANA BOLADO VALLE	87	0	0	87	0	0	0	0	87	0	0
CARLOS ORTEGA ARIAS-PAZ	34	0	0	34	0	0	0	0	34	0	0
JACKIE KERNAGHAN	39	0	0	39	0	0	0	0	39	0	0
MARIO ARMERO	34	0	0	34	0	0	0	0	34	0	0
COLIN HALL	90	0	0	90	0	0	0	0	90	38	0
NICOLÁS VILLÉN JIMÉNEZ	115	0	0	115	0	0	0	0	115	53	0
DAG ERIK JOHAN SVANSTROM	115	0	0	115	0	0	0	0	115	46	0
FÉLIX FERNANDO EIROA GIMÉNEZ	718	0	0	718	0	0	0	0	718	696	0
JAVIER FERNÁNDEZ ALONSO	90	0	0	90	0	0	0	0	90	45	0
PETER JAMES LONG	199	0	0	199	0	0	0	0	199	250	0
RICHARD GOLDING	46	0	0	46	0	0	0	0	46	0	0
TOTAL	1,567	0	0	1,567	0	0	0	0	1,567	1,259	0

D.2 Information on the relationship between the remuneration obtained by directors and the results or other performance measurements of the entity; explaining, where possible, how the changes in performance of the company have influenced changes in the remuneration of the directors.

The Remuneration Policy of the Company establishes that only the executive directors will have the right to receive a variable remuneration. In order to align the interests of the executive directors with those of the Company and its shareholders, the variable remuneration (both for the short and long term) is linked to the achievement of certain objectives that measure and take into account the performance of the Company.

According to the Remuneration Policy, the variable remuneration is linked to the achievement of the objectives set for the executive officer each year, under the proposal of the ARC, which are partially related to the achievement of an objective based on the annual consolidated results of the business, measured in terms of EBITDA (earnings before interests, taxes, depreciations and amortization) (see section A.4). Particularly, the EBITDA target weights 80 % while the other 20 % depends on the achievement of personal targets. For the CEO, the maximum remuneration corresponding to the annual variable remuneration for the previous fiscal year was set at 120 % of its fix remuneration. Under the termination of the relation between Mr Eiroa and the Company, and regarding the liquidation of its annual variable remuneration, the Board of Directors, with the favorable report of the ACR, acknowledges that the EBITDA target had not been achieved. Also, the targets associated with its specific performance were achieved by 50 %. Therefore, the annual variable remuneration of Mr Eiroa's was set at a 10 % of his target maximum amount as stated in the Termination Agreement that regulates the financial conditions of the exit of Mr Eiroa from the Company (see section A.4).

With regard to the long term variable LTIP and the New LTIP, the number of shares to be granted to the beneficiaries of this plan is linked to the performance of the price of the shares of the Company during the corresponding period (see section A.). Therefore, the final remuneration of each beneficiary will be linked to the mid and long term performance of the price of the shares of the Company (section A.4).

D.3 Give the result of consultative vote of the Shareholders General Meeting to the annual report on remuneration for the previous year, indicating the number of negative votes that may have been issued:

	Number	% of total
Votes issued	51,940,616	64,33 %

	Number	% of total
Negative votes	1,570,087	3,00 %
Votes in favor	48,859,033	94.07 %
Abstentions	1,511,496	2.91 %

E OTHER INFORMATION OF INTEREST

If there is any relevant aspect on the matter of remuneration of directors that it has not been possible to include in the rest of the sections of this report, but that should be included in order to provide the most complete and explanatory information on the remuneration structure and practices of the company in relation to its directors, please provide it here briefly.

Explanatory Note 1:

It is hereby stated that on 4 October 2018, the Company CEO, Mr Fernando Eiroa, resigned from all his positions and, consequently, his contract as Company CEO was terminated. The exit conditions were set on the basis of a Termination

Agreement signed on 4 October 2018. However, this report includes the information on the CEO for the financial year ended on 30 September 2018, given that, at year-end, he continued to hold positions in the Company and his contract with the Company remained in force. It is also hereby stated that on 17 July 2018, Mr Peter Long, independent director, resigned from all his positions in the Company.

Explanatory Note 2:

Regarding section D.1, it is hereby stated that the annual variable remuneration of the former CEO includes the variable remuneration accrued during the financial year ended on 30 September 2018 (72,000 euros), it has been excluded the one paid against the financial year ended on 30 September 2017 (108.000 euros).

Explanatory Note 3:

Regarding director Ms Ana Bolado, it is expressly stated that she was appointed director of the Company on 28 November 2017. However, Ms. Bolado accepted the office on 29 November 2017. For the purposes of this report, the acceptance date has been set as, starting this day, the remunerations of Ms Bolado has been accrued.

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

This annual remuneration report was approved by the Board of Directors of the Company at its meeting of 27/11/2018.

Indicate whether there are directors who have voted against the approval of the report, or who have abstained.

Yes

No X