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IDENTIFYING DATA OF THE ISSUER

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End date of reported year:

31/12/2019

TAX IDENTIFICATION NUMBER:

A-82473018

Company name:

**RENTA 4 BANCO, S.A.**

Registered office:

PS. DE LA HABANA N.74 (MADRID)

## **A. REMUNERATION POLICY OF THE COMPANY FOR THE YEAR IN PROGRESS**

A.1. Explain the current policy for the remuneration of directors applicable to the year in progress. Where relevant, certain information may be stated in relation to the remuneration policy approved by the general meeting of shareholders, provided the addition is clear, specific and concrete.

There must be a description of any specific determinations for the year in progress, of the remuneration of directors in their capacity as such and for their performance of executive functions by the board pursuant to the provisions of the contracts signed with executive directors and with the remuneration policy approved by the general meeting.

The following aspects, at least, must be reported in any case:

- Description of the procedures and bodies of the company involved in determining and approving the remuneration policy and its conditions.
- State and, where appropriate, explain whether consideration have been given to comparable companies for the purposes of establishing the company's remuneration policy.
- Information as to whether an external advisor was involved and, should this be the case, the identity of the advisor.

The purpose of the policy on directors' remuneration (the "**Remuneration Policy**") of Renta 4 Banco, S.A. (the "**Company**" or "**Renta 4**") is to align the interests of the shareholders with those of the Company, seeking prudent management of the activity and minimising the risks inherent in it, rewarding the work of the Company's personnel in achieving this purpose and ensuring that remuneration is adjusted to the market conditions of credit institutions that are comparable in terms of their size, and to criteria of moderation and adaptation to the Company's results, all in accordance with the Regulations of the Board of Directors of Renta 4, and in order to contribute to the Company's ability to meet its strategic objectives within the framework of its activity.

In this regard and within the framework of the provisions of the Company's Articles of Association, the Regulations of the Board of Directors of the Company reserve to this body the power to adopt decisions and propose to the General Meeting on the remuneration of the directors. In accordance with the best practices of corporate governance, the Board of Directors of the Company has set up, in order to best carry out its functions, various committees to assist it in those matters that fall within its competence. Among these, the Appointments and Remuneration Committee (the "**ARC**"), is the body that advises and reports to the Board of Directors on matters, including but not limited to, remuneration, that are attributed to it in the Regulations of the Board, in compliance with the remuneration policy established by the General Meeting of the Company and proposing, where appropriate, the modifications that it deems necessary.

For this reason, the Board of Directors, in the exercise of its functions, shall approve, at the proposal of the ARC, the Remuneration Policy for the year in progress and submit it to the Company's General Meeting for approval.

The CNR, by virtue of the provisions of Article 32 of the Regulations of the Board of Directors, is currently composed of 3 members appointed by the Board of Directors, Mrs Sarah Marie Harmon and Mrs Inés Juste Bellosillo, as independent directors, and Mr Pedro Navarro Martínez, as another external director.

This Committee meets as often as is necessary for the performance of its duties, convened by its Chairman or, as the case may be, by the Chairman of the Board, at least once a quarter.

In 2019, the ARC met eight times to discuss issues within its remit.

Without prejudice to other duties that should be assigned to it by the Board, the ARC has, in relation to matters of remuneration, the following powers:

- ensure that the remuneration policy established by the Company is observed and, in particular, review it on a regular basis and propose to the Board of Directors the remuneration policy for directors, senior executives, executive committees, executive directors and, where appropriate, categories of employees who, owing to the duties they perform, are included in the remuneration policy by virtue of the applicable regulations, the application thereof, including share-based remuneration systems and their application, as well as to guarantee that individual remuneration is proportional to that paid to directors and senior executives;
- propose to the Board of Directors the individual remuneration and the terms and conditions of the contracts of executive directors and the basic conditions of the contracts of senior executives, all in accordance with the Remuneration Policy approved by the General Meeting;
- oversee the transparency of remuneration and the observance of the remuneration policy established by the Company.

In this sense, the ARC will propose, if appropriate, the corresponding modifications of the Remuneration Policy to the Board of Directors, for its submission and subsequent approval, if necessary, by the General Meeting.

The Regulations of the Board of Directors, both with regard to the ARC itself and for directors in general, provide that all of them (the Committee or the members of the Board, as the case may be) may request external advisory on any matters they consider necessary.

The Company's Corporate Governance rules have been configured so that proposals submitted for consideration by the Board of Directors in remuneration

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matters originate from the ARC, which analyses them beforehand, relying on the Company's internal services and external experts when necessary. In addition, all remuneration decisions affecting the directors have been submitted (or will be submitted) to an advisory vote of the Company's General Meeting of Shareholders, which ensures the appropriate decision-making process in relation to remuneration.

-Relative importance of items of variable remuneration in relation to the fixed items (remuneration mix) and the criteria and objectives taken into account to determine them and to guarantee a proper balance between the fixed and variable components of remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risk and to align it with the company's long-term objectives, values and interests, including, where appropriate, a reference to measures foreseen to ensure that the remuneration policy takes into account the long-term performance of the company, measures taken in relation to those categories of staff whose professional activities have a material impact on the risk profile of the company and measures foreseen to avoid conflicts of interest, where appropriate.

Likewise, indicate whether the company has established a period for accrual or consolidation of certain items of variable remuneration, a deferral period for the payment of certain amounts or the delivery of financial instruments already accrued and consolidated, or whether a clause has been agreed which reduces deferred remuneration or obliges the director to return any remuneration received, when the remuneration has been based on data subsequently shown to be manifestly inaccurate.

The Remuneration Policy seeks to establish a remuneration scheme appropriate to the engagement and responsibility undertaken by the people to whom it applies, with the aim, first, of attracting, retaining and motivating the most outstanding professionals and, second, contributing to the Company being able to meet its strategic objectives within the framework in which it carries on its activity. For this reason, and as established in the Regulations of the Board of Directors, the remuneration will be adjusted to the market conditions of credit institutions of a size similar to Renta 4 and based on criteria of moderation and proportionality to the results of the Entity.

Therefore, the remuneration policy is based, inter alia, on the following principles:

- (a) The Remuneration Policy applies both to executive and non-executive members of the Board of Directors, to senior executives, as well as to categories of employees of the Company whose professional activities have a material impact on the Company's risk profile and those who exercise control functions, as well as categories of employees of the Company who receive a global remuneration that includes them in the same scale of remuneration as that of senior executives and employees who take on risks, whose professional activities have a material impact on the Company's risk profile.
- (b) The Remuneration Policy is compatible with appropriate and effective management of risk, and fosters such management in all circumstances, without offering, consequently, incentives for a assuming a level of risk that exceeds the level of risk tolerated by the Company.
- (c) The Remuneration Policy is aligned and compatible with the Company's business strategy, objectives, values and long-term interests, and is subject to annual review, with the Board proposing, as appropriate, any modifications it deems appropriate.
- (d) The remuneration paid by the Company in accordance with these principles follows criteria of moderation and proportionality to the Group's results, and favours sound and effective risk management that prevents conflicts of interests.
- (e) In this sense, remuneration establishes an appropriate balance between the fixed and variable items, and takes into consideration the responsibility and level of commitment of each individual, as well as all types of current and future risks.
- (f) The variable remuneration has sufficient flexibility that enables its modulation to the point that it is possible to completely eliminate variable remuneration.
- (g) It assesses performance in order to calculate the variable items of remuneration or the funds to pay for these items; an adjustment is made for all types of current and future risks, and the cost of capital and liquidity required is taken into account.
- (h) Variable remuneration is only paid if it is sustainable with the situation of the Company, and if it is justified based on the results of the Company, the business unit and the employee in question, and the Company may, for these purposes, retain part or even all of it. However, the remuneration of personnel who exercise control functions is not subject to the results of the business areas they control.

This assessment is part of a multi-year framework ensuring that the assessment process is based on long-term results and that the actual payment of variable items is spread over the period covered by the Remuneration Policy.

- (i) Payments for early termination of a contract are based on the results obtained over time, established in such a way that they do not reward poor performance.
- (j) The pension policy is compatible with the Company's business strategy, objectives and values and long-term interests.
- (k) Any scheme for rights of widowhood, orphanhood and death that is established is consistent with the market and the provisions of applicable regulations.

Further, in relation to the relative weight of variable remuneration items in relation to fixed ones, the principles on which the Remuneration Policy is based state that it will establish an appropriate balance between the fixed and variable items, always taking into consideration the responsibility and level of commitment involved in the role that each individual is called upon to play, as well as all types of current and future risks, an aspect that is covered in the Policy. In this regard, the Company's executive directors currently receive variable remuneration based on the performance of their executive duties, as indicated in section A.1.6 below.

In relation to the measures established in the Remuneration Policy that takes into account the results of the Company, according to provisions of section A.1.6. below that includes the objective criteria relating to the evolution of the Company's results for determining directors' variable remuneration. Furthermore, the Company's Remuneration Policy provides for an adequate balance between the fixed and variable components of remuneration for, as noted

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in section A.1.6, below, variable compensation depends on the achievement of objective criteria established by the Board and linked to the Company's objective results.

Likewise, as regards the measures adopted in relation to categories of personnel whose professional activities have a material impact on the Company's risk profile, the Company adopts the same measures in this respect as for executive directors, which are included in section A.1.6 below. These, in particular, relate to establishing the variable remuneration based on the targets linked to the Company's net profit and the level of default of the Renta 4 Group.

Lastly, in relation to the clawback formulae or clauses to claim back variable components of remuneration, it is envisaged that in the event that the assessments conclude that performance has been deficient, the Company may reduce the deferred variable remuneration and/or claim the reimbursement of the variable remuneration already paid, up to a maximum of 100%, in either case. These assessments will analyse subsequent performance according to the criteria (indicated in section A.1.6 below), which contributed to achieving the objectives, comparing it with the initial performance assessment and will be approved by the Board of Directors at the end of the year to which said variable remuneration refers.

-The amount and nature of any fixed components expected to accrue in the course of the year to directors in their capacity as such.

The Company has devised a remuneration system that differentiates between the remuneration of executive directors and that of other directors.

Directors, by virtue of their status as such, shall receive annual fixed remuneration appropriate to market standards for the performance of their duties as members of the Board of Directors, taking into account the duties and responsibilities exercised by each of the directors within the Board itself or its Committees.

The amount of the remuneration that the Company may pay to all its directors for these concepts shall not exceed the amount set for this purpose by the General Meeting. In this regard, the remuneration of the directors shall consist of a fixed annual amount for the performance of their duties as members of the Board of Directors, which for the financial year 2020 amounts to a maximum total of 491,088 euros, at the rate of 60,000 euros gross for each of the non-executive directors who are natural persons and 71,088 euros gross for each of the non-executive directors who are legal entities. However, if the number of non-executive directors is increased by more than the current eight (8) members, the maximum amount may be increased for each new non-executive member of the board of directors by the corresponding fixed amount (60,000 euros or 71,088 euros) by virtue of their status as natural or legal person, up to a total maximum remuneration of all non-executive directors of €633,264, until ten (10) members.

The executive directors will not receive any remuneration for their position as directors of the Company, and their remuneration will only be that received for their executive functions, the scheme of which is set out in section A.1.4 below.

-The amount and nature of any fixed components that will accrue in the year to directors for performance of senior management duties by executive directors.

It should be noted that the remuneration system established by the company for executive directors takes into account the specific characteristics of each position, the duties attributed, the level of responsibility, the level of commitment taken on and engagement required, all for the purpose of the ARC establishing, determining and/or updating remunerations in order to be competitive in the market in equivalent duties in competing entities.

The executive directors whose appointment as directors is associated with their executive functions are:

- Chairman with executive functions: Mr Juan Carlos Ureta Domingo.
- CEO: Mr Juan Luis López García.
- Director and General Manager: Mr Jesús Sánchez-Quñones González.
- Director and Regional Manager: Mr Santiago González Enciso.

The compensation of executive directors for fiscal year 2020, based on their responsibility, attributed duties and level of commitment, in terms of fixed remuneration will be as follows:

- i. Executive Chairman: Mr Juan Carlos Ureta Domingo, acting as Executive Chairman will receive a fixed annual remuneration of 300,000 euros gross to be divided into 12 equal monthly payments.
- ii. The CEO of the Company Mr Juan Luis López García will have fixed annual remuneration of 275,000 euros gross.
- iii. Director and General Manager Mr Jesús Sánchez-Quñones González, will have a fixed annual compensation of 275,000 euros gross.
- iv. The Director and Regional Manager, Mr Santiago González Enciso will have a fixed annual remuneration of 75,000 euros gross.

In relation to the estimation of the fixed annual remuneration, given that the amounts indicated are fixed and will not depend on any objective or variable aspect, there is no estimation in this regard, where said amount are the fixed remuneration each of them will receive during the year 2020 for their positions.

-Amount and nature of any item of in-kind remuneration in kind that will be accrued in the year, including, but not limited to, insurance premiums paid in the director's benefit.

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The Company has taken out a collective civil liability insurance policy that covers all liabilities of whichever kind for acts and the conduct of executive directors (Executive Chairman, CEO, General Manager and Regional Manager) and of non-executive directors of the Company, as a consequence of performing the activities attached to their roles.

-The amount and nature of the variable components, with a distinction made between those established in the short term and in the long term. Financial and non-financial parameters, the latter including social, environmental and climate change parameters, selected to determine variable remuneration for the year in progress, explanation of the extent to which these parameters bear a relation to performance of the director and also of the company and its risk profile, and the methodology, necessary timeline and techniques in place for the purposes of determining, at year-end, the level of compliance with the parameters used to design variable remuneration.

Specify the range in monetary terms of the different variable components depending on the level of compliance with the objectives and parameters established, and whether there is any maximum monetary amount in absolute terms exists.

The variable remuneration of the directors of Renta 4 according to their responsibility, attributed functions and level of commitment is structured as follows:

### 1. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Non-executive directors do not currently have a Variable Remuneration Plan.

### 2. REMUNERATION OF EXECUTIVE DIRECTORS

Executive directors currently have the following Variable Remuneration Plan.

#### 2.1. Variable Remuneration of the Chairman for his Executive Functions

Mr. Juan Carlos Ureta Domingo, as Executive Chairman, will receive an Annual Variable Remuneration in 2020 ("**AVR**") which may not exceed, in any case, 100% of the Annual Fixed Remuneration ("**FAR**") and will be determined by the corresponding amount accrued according to the level of compliance with the Year's Targets linked to the Net Profit of the Group ("**NP**"), which shall be set in accordance with the responsibilities and functions of the position, as well as any others that may be specifically assigned to the Chairman by the Board of Directors.

The Year's Targets will be calculated on the basis of the NP and for the year 2020, they have been established according to the following scale:

- NP < €15 M = 0% of the FAR
- NP €15 < x < 16 M = 10 % of the FAR
- NP €16 < x < 17 M = 15 % of the FAR
- NP €17 < x < 18 M = 35 % of the FAR
- NP €18 < x < 19 M = 55 % of the FAR
- NP €19 < x < 20 M = 65 % of the FAR
- NP €20 < x < 21 M = 85 % of the FAR
- NP > €21 M = 100% of the FAR

AVR will be received provided that the levels of default or bad debt losses of the Renta 4 Group during the fiscal year are less than 5% of the Equity ("**E**") at the end of the year and when these levels do not occur as a result of actions by the Company, in which the risk levels and limits permitted and established by the European Banking Authority (EBA) or any other competent entity for this purpose are exceeded, due to defects in the control systems of the Renta 4 Group, as well as any other cause attributable to omission or poor practices by the Company.

#### 2.2. Remuneration of CEO and of Director and General Manager

The Chief Executive Officer, Mr. Juan Luis López García and the Director and General Manager, Mr. Jesús Sánchez-Quiñones González will receive an AVR that may not exceed, in any case, 100% of FAR of each one of them and will be determined by the corresponding amount accrued depending on the level of compliance with the Year's Targets, linked to the Net Profit of the Group ("**NP**"), to be established annually.

The Year's Targets will be calculated on the basis of the NP and for the year 2020, they have been established according to the following scale:

- NP < €15 M = 0% of the FAR
- NP €15 < x < 16 M = 10 % of the FAR
- NP €16 < x < 17 M = 15 % of the FAR
- NP €17 < x < 18 M = 35 % of the FAR
- NP €18 < x < 19 M = 55 % of the FAR
- NP €19 < x < 20 M = 65 % of the FAR
- NP €20 < x < 21 M = 85 % of the FAR
- NP > €21 M = 100% of the FAR

The AVR will be paid as long as the levels of default or bad debt losses of the Renta 4 Group during the year remain below 5% of the E at the end of year and when these levels do not occur as a result of the Company's actions, in which the risk levels and limits allowed and established by the EBA or any other competent body are exceeded, due to deficient control systems used by the Renta 4 Group, as well as any other cause attributable to the Company's inaction or poor practices.

#### 2.3. Variable Remuneration of the Director and Regional Manager

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The Regional Director will receive an AVR that may not, in any case, exceed 100% of the FAR will be determined by the corresponding amount accrued according to the level of compliance with the Year's Targets linked to the Net Profit of the Group ("NP"), to be established.

The Year's Targets will be calculated on the basis of the NP and for the year 2020, they have been established according to the following scale:

- NP < €15 M = 0% of the FAR
- NP €15 < x < 16 M = 10 % of the FAR
- NP €16 < x < 17 M = 15 % of the FAR
- NP €17 < x < 18 M = 35 % of the FAR
- NP €18 < x < 19 M = 55 % of the FAR
- NP €19 < x < 20 M = 65 % of the FAR
- NP €20 < x < 21 M = 85 % of the FAR
- NP > €21 M = 100% of the FAR

The AVR will be paid as long as the levels of default or bad debt losses of the Renta 4 Group during the year remain below 5% of the E at the end of year and when these levels do not occur as a result of the Company's actions, in which the risk levels and limits allowed and established by the EBA or any other competent body are exceeded, due to deficient control systems used by the Renta 4 Group, as well as any other cause attributable to the Company's inaction or poor practices.

With regard to the amounts corresponding to the amount accrued in accordance with the fulfilment of the objectives of an annual nature ("YT") linked to the Group's Net Profit set for the Executive Chairman, CEO, General Manager and Regional Director, 60% of the amount due to each one of them, shall be paid within a maximum of 15 days following the completion of the assessment, and in any event before the end of the month of March of the calendar year following the year in which it was accrued. The remaining 40% will be subject to a three-year deferral period, the accrual and payment satisfied at a rate of a maximum of 13% in the first year of deferral, a maximum of 13% in the second year of deferral and a maximum of 14% in the third year of deferral. The payment due must be made before the end of the corresponding month of March of the calendar year following each of the years in which the deferral has taken place.

In order to perfect the accrual and payment of the 40% of the deferred AVR, the Board, at the proposal of the ARC, will carry out an assessment at the end of each year of the deferral period, based on maintaining the profitability of the results of the Renta 4 Group, taking into account the circumstances of the sector during the period evaluated and will adapt to the circumstances relating to the operations of Renta 4, to the risks assumed by it and to the activity of each of these Executive Directors, and provided that the assessment made of each one concludes that their performance was adequate and in line with the Company's targets.

The payment of the AVR, both the 60% and the deferred 40%, will be performed 50% in cash and the other 50% in shares. To calculate the number of shares accrued to be delivered, the average market value of the share during the last 20 business days of the corresponding year will be used, where the shares are non-transferable during a period of 12 months following delivery.

The total amount of the AVR obtained as a result of the application of the AVR system, depending on the level of fulfilment of the NP and objectives set for the Executive Chairman, CEO, General Manager and Regional Manager, may not involve the Group's NP falling below €15M by 2020. Otherwise, the Total Amount of the VR must be adjusted proportionally until the 2020 NP is at least €15M.

Likewise, and to estimate the total amount of the variable remunerations to which the current system would give rise, depending on the level of fulfilment with the assumptions or objectives taken as a benchmark, the Company considers that it could be determined in the following maximum amounts:

Chairman with executive functions: Mr Juan Carlos Ureta Domingo would receive a maximum of €300,000 gross.

The CEO, Mr Juan Luis López García will receive a maximum of €275,000 gross.

The General Manager, Mr Jesús Sánchez-Quiñones González €275,000 gross.

The Regional Manager, Mr Santiago González Enciso €75,000 gross.

-Main characteristics of long-term savings systems. Among other information, specify the contingencies covered by the system, whether it is a contribution or a defined benefit, the annual contribution to be made to the defined contribution systems, the benefit to which beneficiaries are entitled in defined benefit systems, the conditions for vesting of the economic rights in favour of directors and their compatibility with any type of payment or compensation for early termination or dismissal, or deriving from the termination of the contractual relationship, under the terms established, between the company and the director.

It must be specified whether the accrual or consolidation of any long-term savings plans are linked to the achievement of certain objectives or parameters relating to the short-term and long-term performance of the director.

The Company has not undertaken any pension, retirement or similar obligations with non-executive directors.

With regard to the executive directors, since 2007 the Company has been covering the contingencies of retirement, work disability, death, severe dependency or major dependency by setting up systems of defined contribution employment plans with the coverage and vesting in accordance with the regulations for Pension Plans, to which 600 euros are currently contributed annually, as well as the insurance premium to cover these contingencies for each of them, all of which are compatible with the compensations included in A.8. The contributions made in fiscal year 2019, as well as the accumulated amounts, are included in C.1.a) iii).

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The accrual or vesting of long-term savings plans is not linked to the fulfilment of the targets set for the directors.

- Any type of payment or compensation for termination or early departure or that arises from the end of the contractual relationship, in the terms stipulated, between the company and the director, whether departure is at the behest of the company or is the wish of the director, and any kind of agreement, such as an exclusivity, post-contractual non-competition and long-service or loyalty agreement, entitling the director to any kind of remuneration.

The Company's non-executive directors are not contractually entitled to receive any compensation in the event of resignation or dismissal. For executive directors, Renta 4 has established compensation in the event of dismissal, unfair dismissal or termination of the employment relationship for reasons beyond the Director's control. In this sense, this compensation are compatible with the long-term savings plans explained in section A.7. above, the figures for which are included in **C.1.a.iii.** and are implemented for executive directors as follows:

Executive Chairman: In the event of termination for reasons beyond the Chairman's control, or due to his/her removal or non-reelection as a member of the Board of Directors (BoD) by the General Meeting (GM) or due to his/her removal or non-reelection as Chairman in the BoD, he/she shall be entitled to receive compensation equal to the legal compensation provided for unfair dismissal under the ordinary employment law.

CEO: In the event of his/her removal as Chief Executive Officer (CEO) for causes beyond his/her will; due to his/her removal or non-reelection as a member of the Board of Directors by the Board of Directors or due to his/her removal or non-reelection as a member of the Board of Directors in the Board of Directors, he/she shall be entitled to receive compensation equal to the legal compensation provided for unfair dismissal under the ordinary employment law for the period in which he/she held the position of CEO. In the event of a dismissal that is declared to be unfair, the CEO would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment law.

- Director and General Manager: In the same way as the DC, the Director and General Manager shall be entitled to compensation equal to the legal compensation provided for unfair dismissal from the common labour system, in the event of unfair dismissal.

Regional Director: there is no agreement relating to compensation or a golden parachute.

On the other hand, in addition to the envisaged compensation, and in relation to the AVR indicated in section A.1 table 6 above, the executive directors will be entitled to the following:

The Executive Chairman, in the event that the Board of Directors decides to remove him as Executive Chairman, or the GM resolves to remove him as a Director, shall be entitled to receive the accrued and vested part of the AVR as appropriate, and in relation to the deferred part, shall forfeit any right to receive any such amount. However, in the event of termination of his or her post due to (i) permanent or severe disability, (ii) death, (iii) retirement, (iv) pre-retirement, or (v) early retirement, the Executive Chairman shall be entitled to receive the accrued and vested portion of the AVR, as applicable, and in relation to the deferred portion, the full amount of the deferred payment shall be deemed to have accrued and vested.

For executive directors holding the positions of Chief Executive Officer and Director and General Manager, the Board of Directors has established that they will be entitled to receive the accrued and vested portion of the AVR, as appropriate, and in relation to the deferred part, the total amount of the deferred payment will be understood to have been accrued and vested, in the event of: (i) business withdrawal; (ii) dismissal declared unfair by the Courts or recognised as unfair by the Company; (iii) dismissal declared null and void by the Courts; (iv) termination of the employment relationship requested by the Chief Executive Officer or the General Manager, pursuant to Article 10.3 of Royal Decree 1382/1985, of 1 August, which regulates the special employment relationship of senior management personnel or the termination of the employment relationship requested by the worker, in the case of the Director General under the provisions of Article 50 of the Workers' Statute; (v) disability; (vi) death; (vii) retirement; (viii) pre-retirement; (ix) early retirement or (x) mutual agreement to suspend the relationship, provided that the assessment made concludes that the performance of the CEO or Director and General Manager has been correct and in line with the objectives of the Entity.

However, in the event of (i) resignation or voluntary resignation; (ii) withdrawal of the Chief Executive Officer or General Manager; (iii) voluntary leave and/or compulsory leave of absence; or (iv) dismissal declared fair by the Courts, they shall be entitled to receive the accrued and vested part of the AVR, as applicable, forfeiting any right to receive any amount for the deferred payment.

Finally, with regard to the executive director and Regional Manager, the Board of Directors has established that the latter shall be entitled to receive the accrued and vested portion of the AVR, as appropriate, and with regard to the deferred part, the total amount of the deferred payment shall be understood to have been accrued and vested, in the event of the following: (i) dismissal declared unfair by the Courts or recognised as unfair by the Company; (ii) dismissal declared null and void by the Courts; (iii) termination of the employment relationship requested by the worker under the provisions of Article 50 of the Workers' Statute; (iv) change of job category; (v) disability; (vi) death; (vii) retirement; (ix) pre-retirement; (x) early retirement or (xi) mutual agreement to suspend the relationship, provided that the assessment conducted concludes that the performance of the Director has been correct and in line with the Company's targets.

However, in the event of (i) resignation or voluntary resignation; (ii) voluntary leave and/or compulsory leave of absence; or (iii) dismissal declared fair by the Courts, they shall be entitled to receive the accrued and vested part of the AVR, as applicable, waiving any right to receive any amounts for the deferred payment.

-Specify the conditions to be observed by the contracts of individuals who exercise senior management functions as executive directors. The term, limits on the amounts of termination benefits, long-service terms, notice periods, and payment as substitution for notice periods, and any other clauses covering hiring bonuses, indemnities or golden parachutes for early termination or cessation of the contractual relationship between the Company and the executive director will be reported, among others. Include, inter alia, any covenants or agreements not to compete and exclusivity, long-service or loyalty and post-contractual non-competition agreements, unless these have been explained in the preceding section.

The Board Regulations assign to this body the power to adopt decisions on the conditions that the contracts of executive directors must observe. In addition,

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the ARC's functions include reviewing and proposing to the Board of Directors the remuneration policy for directors and senior executives and, where appropriate, categories of employees who, owing to the functions they perform, are included in the remuneration policy by virtue of the applicable regulations, the individual remuneration and the terms and conditions of the contracts of executive directors and the basic conditions of the contracts of senior executives, all in accordance with the remuneration policy approved by the General Meeting.

The contracts arranged with each of the executive directors determine their related remuneration, economic rights and rewards, which include those items included in the Company's bylaws and described in this report. The relevant terms and conditions of the contracts of Mr Juan Carlos Ureta Domingo (as Executive Chairman), Mr Juan Luis López García (CEO), Mr Jesús Sánchez-Quiñones González (Director and General Manager) and of Mr Santiago González Enciso (as Director and Regional Manager) are specified below:

a) Term: The contracts are of an indefinite term.

b) Limits on the amounts of termination benefits: The limitations on the maximum amounts of compensation for each of the executive directors are set out below:

-Executive Chairman: He would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment laws subject to the conditions shown in A.1 table 8 above. In this respect, the maximum amount of such compensation would be, in 2020, 1,232 thousand euros.

-CEO: He would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment laws subject to the conditions shown in A.1 table 8 above. In this respect, the maximum amount of such compensation would be, in 2020, 730 thousand euros.

-General Manager: He would be entitled to receive compensation equivalent to the legal compensation provided for unfair dismissal under the ordinary employment laws subject to the conditions shown in A.1 table 8 above. In this respect, the maximum amount of such compensation would be, in 2020, 1,019 thousand euros.

Regional Manager: he would receive the legal compensation envisaged for unfair dismissal under the ordinary employment law. In this respect, the maximum amount of such compensation would be, in 2020, 260 thousand euros.

c) Prior notice: Those set out in the applicable collective agreement.

Any non-competition and exclusivity, length of service or loyalty and post-contractual non-compete covenants or agreements: In the contracts signed with each of the executive directors, a declaration is made by both parties that the positions they hold in the Company are full-time, with exclusive dedication to the Company. In addition, such exclusivity is emphasised in such contracts (the subject matter clause). There are no specific pacts in the aforementioned contracts relating to non-competition, length of service or loyalty and post-contractual non-competition.

In relation to these matters, the Regulations of the Board of Directors establish that no director may engage, on his own account or on behalf of others, in an activity that is the same, similar or a supplementary to that which constitutes the corporate purpose of the Company, unless expressly authorised to do so by the Company in the form of a resolution of the General Meeting, for which purpose they must give the notice specified in the aforementioned Regulation. Directors must consult the ARC before accepting any executive position or position on the board of directors of another company or entity.

With regard to possible conflicts of interest, the Board Regulations establish that directors must notify the Board of Directors of any situation of conflict, direct or indirect, that they may have with the interest of the Company. The director concerned shall refrain from participating in resolutions or decisions relating to the transaction giving rise to the conflict. Likewise, the directors must report any the direct or indirect stake either they or related persons, as defined in the Spanish Limited Liability Companies Law, hold in the capital of a company with the same, similar or complementary type of activity to that which constitutes the corporate purpose, and they must also report any posts or functions they hold in it.

In addition, the Board Regulations establish that directors must observe the regime of incompatibilities that is legally established at any given time.

-The nature and estimated amount of any other additional remuneration that will be accrued by directors during the year in progress by way of a consideration for services provided other than those inherent in their posts.

The directors of the Company did not accrue any remuneration in this regard.

-Other items of remuneration such as any arising from provision for the director by the company of advances, credits and guarantees and other remuneration.

The Company currently has credit facilities in the benefit of the following directors:

During the year 2019, the credit of Mr. Pedro Ángel Navarro Martínez in the amount of 1,000 thousand euros expired.

Also, on 28 July 2019 a loan of 1,500 thousand euros was granted to the company Avilugam, S.L. (a company in which Juan Carlos Ureta Domingo owns more than 15% of the company), with a repayment period of three years, ending on 27 June 2022, of which the company drew down at the end of fiscal year 2019 a total amount of 1,272 thousand euros.

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In turn, Mr Francisco García Molina was granted a loan of 200 thousand euros, with a four-year repayment period, which ends on 8 July 2022. In 2019, he drew down 199 thousand euros.

On 28 June 2018, Mr. Santiago González Enciso was granted a loan of 775 thousand euros, with 639 thousand euros drawn down and a repayment period of three years, which is scheduled to end on 27 June 2021. In addition, it should be noted that on 23 April 2018 a loan was granted to Mrs Matilde Fernández de Miguel, spouse of Mr Santiago González Enciso for 175 thousand euros, having drawn down at year-end a total of 51 thousand euros, and the repayment period of the loan ends on 22 April 2021.

In relation to the interest rate, the loans were granted at an interest margin ranging from 12-month Euribor plus 1.1% to 1.75%. The specifics and the liabilities taken therefor by way of collateral and the interest rate are those set in section C.1.a.iv) below.

-The nature and estimated amount of any expected additional remuneration not included in the foregoing sections, whether satisfied by the entity or another group entity, which will accrue to the directors in the current year.

The directors of the Company have not accrued any remuneration for any other additional remuneration not included in previous sections.

A.2. Explain any relevant changes in the remuneration policy applicable during the year in progress arising from:

- A new policy or an amendment to the policy already approved by the General Meeting.
- Relevant changes in the specific determinations established by the board for the year in progress in the current remuneration policy in relation to those applied during the previous year.
- Any proposals that the board of directors agreed to present to the general meeting of shareholders to which this annual report will be submitted, proposing that they should apply to the year in progress.

In 2019 there were no substantial changes, or substantial modifications in the remuneration policy previously approved by the General Meeting, or significant changes that the Board of Directors resolved to submit to the General Meeting for approval.

With respect to the current year, as stated in the Remuneration Policy, it should be noted that in order to adjust the composition of the Company's Board of Directors to the trends, best practices and guidelines of good corporate governance, it has been decided to reduce the number of Board members from 10 non-executive directors in 2019 to 8 non-executive directors in 2020.

A.3. Identify the direct link to the document setting out the current remuneration policy of the company, which must be available on the company's website.

<https://www.renta4banco.com/es/accionistas/politicas-e-informes>

A.4. Explain, in due consideration of the data supplied in section B.4, how the voting of shareholders at the general meeting to which the annual remuneration report for the previous year was submitted for and advisory vote was taken into account.

The annual remuneration report for year 2018 was unanimously approved by the General Meeting, as stated in section B.4, having been approved by 100% of the votes in favour. Consequently, the Entity has considered it appropriate to continue with a policy of remuneration for directors whose purpose is to continue to be aligned with the interests of shareholders, seeking prudent management of activity minimizing inherent risks to the same, and rewarding the work of Company personnel in achieving this purpose. All this in order to contribute to the Company meeting its strategic objectives within the framework in which it carries out its activity.

## B. OVERVIEW OF THE APPLICATION OF THE REMUNERATION POLICY IN THE COURSE OF THE PREVIOUS YEAR

B.1. Explain the process carried out to apply the remuneration policy and determine the individual remuneration set out in section C of this report. This information shall include the role played by the remuneration committee, the decisions taken by the board of directors

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and, where appropriate, the identity and role of the external advisers whose services have been used in the process of application of the remuneration policy in the year.

The Board of Directors, at its meeting held on 11 March 2019 and at the proposal of the ARC, resolved, under point nine of the Agenda, to approve the Remuneration Policy for 2019 and, in turn, to submit it for approval by the General Meeting of Shareholders, which approved this policy with 100% of votes of the present and represented share capital in favour at its ordinary general meeting of 29 April 2019, in accordance with the responsibility, functions attributed and level of commitment taken on by the Renta 4 directors.

Likewise, the Board of Directors, at its meeting of 17 March 2020, and pursuant to the process of assessment of the Board, its Committees, the Chairman, the Managing Director and the Coordinating Director, as well as the performance of the Company in 2019 through the results included in the financial statements, has determined, in accordance with the Remuneration Policy in force, the variable remuneration due to directors with executive functions specified in section C below.

B.2. Indicate the action taken by the company in relation to the remuneration system and how it has helped reduce exposure to excessive risks and adjust it to the company's long-term objectives, values and interests, including a reference to the measures adopted to ensure that the remuneration accrued has been based on the company's long-term results and has secured a proper balance between the fixed and variable components or remuneration, what measures have been taken in relation to personnel categories whose professional activities have a material impact on the company's risk profile, and what measures have been adopted to prevent conflicts of interest, if any.

In relation to the measures envisaged to guarantee that the Remuneration Policy takes into account the long-term results of the Company, section A.1. below includes the objective criteria relating to the Company's results applied to determine directors' variable remuneration.

In addition, the Company's Remuneration Policy finds a suitable balance between the fixed and variable items in the remuneration considering that, as shown in section A.1. above, the variable remuneration set for 2019 is based on the fulfilment of the objective criteria defined by the Board, always linked to the objective results of the Company and subject to the Remuneration Policy approved at the Ordinary General Meeting of 29 April 2019.

Likewise, as regards the measures adopted in relation to categories of personnel whose professional activities have a material impact on the Company's risk profile, the Company adopts the same measures in this respect as for executive directors, which are included in section A.1 above. These, in particular, relate to establishing the variable remuneration based on targets linked to the Company's net profit and the level of default of the Renta 4 Group.

Lastly, in relation to the clawback formulae or clauses to claim back the variable remuneration items, it is envisaged that, should the assessments conclude a deficient performance, the Company may reduce the deferred variable remuneration and/or claim the reimbursement of the variable remuneration already paid, up to a maximum of 100%, in either case. These assessments will analyse the subsequent performance according to the criteria (indicated in section A.1 above, as they are the same for the current year and the reported year), which contributed to achieving the objectives, comparing it with the initial performance assessment and will be approved by the Board of Directors at the end of the year such variable remuneration refers to.

B.3. Explain how the remuneration accrued during the year meets the provisions of the remuneration policy in force.

Report also on the relationship between the remuneration obtained by the directors and the results or other measures of performance, in the short and long term, of the entity, explaining, where appropriate, how the variations in the company's performance may have influenced in the variation of directors' remunerations, including accrued remunerations whose payment has been deferred, and how these contribute to the Company's short and long-term results.

Based on the Company's director remuneration policy for 2019 indicated in section B.7 below, the executive directors' remuneration is linked to the results produced by the Company. In this regard, and in accordance with what is indicated in this section, certain variable remuneration is conditional upon the fulfilment of the indicators also included in section B.7. below.

In 2019, the total remuneration of the Company's directors in their capacity as such was 637,932 euros, in observance of the maximum amount of 884,352 euros for this item as established in the Remuneration Policy. The individual remuneration of each director in his capacity as such consisted of a fixed annual amount, as established in said policy. Executive directors did not receive remuneration for their membership of the Board of Directors or of its committees; nor did they receive any annual fixed amounts, or attendance fees for meetings of the Board of Directors. In this regard, the executive directors received remuneration in the amounts to which they were entitled by virtue of their respective contracts drawn up with the Company, pursuant to the Remuneration Policy. At a meeting on 17 March 2020, at the behest of the ARC, the Board of Directors determined the sums of the annual variable remuneration of executive directors accrued in 2019.

For the purposes of determining the variable remuneration accrued to the executive directors, consideration was given to professional engagement and excellence, the level of achievement of the targets of the annual budget, investment targets, and the result of assessment of the performance of their duties, in relation to which a variable remuneration of 35% was determined in relation to the fixed annual remuneration to which each director is entitled. Section B7 of this report contains more information in connection with these conditions.

B.4. Indicate the result of the advisory vote at the general meeting on the annual report on the remunerations from the previous year,

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showing the number of votes against it, if any.

	Number	% of total
Votes cast	28,865,036	100.00
	Number	% of votes cast
Dissenting votes		0.00
Affirmative votes	28,865,036	100.00
Abstentions		0.00

### Observations

B.5. Explain how the fixed items accrued during the year by the directors have been determined in their capacity as such, and how they have changed from the previous year.

The Board of Directors, at its meeting held on 11 March 2019 and at the proposal of the ARC, resolved, under point nine of the Agenda, to approve the Remuneration Policy for 2019 and, in turn, to submit it for its approval by the General Meeting of Shareholders, which approved the policy at its ordinary meeting on 29 April 2019, taking into account the market standards to determine the fixed annual remuneration for the performance of their duties as members of the Board of Directors.

In this regard, the non-executive directors, in their capacity as such, in fiscal year 2019 received a fixed annual amount for the performance of their duties as members of the Board of Directors in the amount of 60,000 euros for each of the directors who are individuals and 71,088 euros for each of the directors who are legal entities, with the same fixed annual remuneration received by each of them in 2018, therefore not varying compared to the previous year.

B.6. Explain how the salaries accrued during the year to each of the executive directors for carrying out management functions were determined, and how they changed in relation to the previous year.

In accordance with the Remunerations Policy approved at the ordinary general meeting of 29 April 2019, during 2019 the remuneration paid to the directors was:

- Mr Juan Carlos Ureta Domingo, Executive Chairman received a fixed annual remuneration of 300,000 euros gross.
- Mr Juan Luis López García, CEO received a fixed annual remuneration of 275,000 euros gross.
- Mr Jesús Sánchez-Quñones González, Director and General Manager, received a fixed annual remuneration of 275,000 euros gross.
- The Director and Regional Manager Mr Santiago González Enciso received a fixed annual remuneration of 75,000 euros gross.

It should be noted that the fixed remuneration paid to executive directors during the 2019 financial year amounted to **925,000** euros (Mr. Juan Carlos Ureta Domingo, 300,000 euros; Mr. Juan Luis López García and Mr. Jesús Sánchez-Quñones González, 275,000 euros each; and Mr. Santiago González Enciso, 75,000 euros), the same amount they received as fixed remuneration in 2018, thus showing no increase in fixed remuneration.

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

In particular:

-Identify each of the remuneration plans that determined the different variable remuneration packages accrued by each of the directors in the course of the year, including information on their scope, the date of approval, date of implementation, periods of accrual and validity, criteria used to assess performance and how this affected the establishment of the variable amount accrued, and the measurement criteria used and the timeline required to enable all the conditions and criteria stipulated to be properly measured.

In the case of share option plans and other financial instruments, the plan's general features will include information on the conditions for securing unconditional ownership (consolidation) and for exercising such options or financial instruments, including the price and exercise timeline.

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

-Where appropriate, information will be provided in relation to any periods established for the accrual or deferral of payment that

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may have been applied, and/or retention/non-availability periods for shares or other financial instruments, if any.

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

The 2019 Remuneration Policy establishes that non-executive directors shall not have a Variable Remuneration Plan.

As regards the executive directors, the variable remuneration model established in the 2019 Remuneration Policy is as follows:

### 1). Variable remuneration of Mr Juan Carlos Ureta Domingo, as Executive Chairman.

Mr. Juan Carlos Ureta Domingo will receive an Annual Variable Remuneration ("**AVR**"), consisting of up to a maximum of 100% of the Fixed Annual Remuneration ("**FAR**").

The Annual Variable Remuneration is determined by the amount corresponding to the amount accrued in accordance with the fulfilment of year's targets linked to the Net Profit of the Group, ("**Year's Targets**") that have been fixed in accordance with the responsibilities and functions of the position, as well as any others that the Board of Directors has specifically assigned to the Chairman.

In line with the principles of the Renta 4 Remuneration Policy, in addition to applying the criteria of moderation and proportionality to the results of the Renta 4 Group, solid and effective risk management is fostered. For this reason, the Annual Variable Remuneration will be received if the levels of default or bad debt losses of the Renta 4 Group during the year remain below 5% of the Equity at year end, and when such levels are not attributed to the Company's actions, when the risk levels and limits allowed and established by the EBA (European Bank Authority) or any other competent organisation are exceeded, due to deficient control systems used by the Renta 4 Group or any other cause attributed to the Company's inaction or poor practices.

The Year's Targets are calculated on the basis of the Net Profit of the Renta 4 Group obtained ("**NP**") according to the following scheme:

NP:  $X < €15M = 0\%$  of the FAR.  
NP:  $€15 < X < 16M = 10\%$  of the FAR.  
NP:  $€16 < X < 17M = 15\%$  of the FAR.  
NP:  $€17 < X < 18M = 35\%$  of the FAR.  
NP:  $€18 < X < 19M = 55\%$  of the FAR.  
NP:  $€19 < X < 20M = 65\%$  of the FAR.  
NP:  $€20 < X < 21M = 85\%$  of the FAR.  
NP:  $X > €21M = 100\%$  of the FAR.

### 2). Variable Remuneration of CEO and of the Director and General Manager

The 2019 Remuneration Policy establishes that the Chief Executive Officer, Mr. Juan Luis López García and the Director and General Manager, Mr. Jesús Sánchez-Quiñones González receive an AVR, consisting of up to 100% of the FAR. The amount of this is accrued based on the fulfilment of year's targets set in accordance with the responsibilities and functions of the position or those assigned.

The AVR is determined by the amount accrued depending on the level of fulfilment of the year's targets linked to the Group's Net Profit (hereinafter, the "Year's Targets") that were set taking into account the responsibilities and functions attached to the position, as well as any others that the Board of Directors may have assigned to the CEO and Director and General Manager.

The AVR will be paid provided that the levels of default or bad debt losses of the Renta 4 Group during the financial year are lower than 5% of the Equity at year-end and when these levels do not occur as a result of the Company's actions, in which the risk levels and limits allowed and established by the European Banking Authority (EBA) or any other competent entity are exceeded, due to deficient control systems used by the Renta 4 Group, as well as any other cause attributable to the Company's inaction or poor practices.

The year's targets are calculated on the basis of the Renta 4 Group's Net Profit ("**NP**") calculated as shown in the following chart:

NP:  $X < €15M = 0\%$  of the FAR.  
NP:  $€15 < X < 16M = 10\%$  of the FAR.  
NP:  $€16 < X < 17M = 15\%$  of the FAR.  
NP:  $€17 < X < 18M = 35\%$  of the FAR.  
NP:  $€18 < X < 19M = 55\%$  of the FAR.  
NP:  $€19 < X < 20M = 65\%$  of the FAR.  
NP:  $€20 < X < 21M = 85\%$  of the FAR.  
NP:  $X > €21M = 100\%$  of the FAR.

### 3). Variable Remuneration of the Director and Regional Manager

The Director and Regional Director will receive an AVR, consisting of up to 100% of the FAR. The amount of this will be accrued based on the fulfilment of

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year's targets set in accordance with the responsibilities and functions of the position or those assigned.

The AVR will be determined by the amount corresponding to the amount accrued in accordance with the fulfilment of annual objectives linked to the Group's Net Profit (the "Year's Targets"), which will be set in accordance with the responsibilities and functions of the position, as well as any others that may be specifically assigned by the Board of Directors to the Director and Regional Director.

The AVR will be paid provided that the levels of defaults or bad debt losses of the Renta 4 Group during the financial year are lower than 5% of the Equity at year-end and when these levels do not occur as a result of the Company's actions, in which the risk levels and limits permitted and established by the European Banking Authority (EBA) or any other competent entity are exceeded, due to deficient control systems used by the Renta 4 Group, as well as any other cause attributable to the Company's inaction or poor practices.

The year's targets are calculated on the basis of the Renta 4 Group's Net Profit ("NP") calculated as follows:

NP:  $X < €15M = 0\%$  of the FAR.

NP:  $€15 < X < 16M = 10\%$  of the FAR.

NP:  $€16 < X < 17M = 15\%$  of the FAR.

NP:  $€17 < X < 18M = 35\%$  of the FAR.

NP:  $€18 < X < 19M = 55\%$  of the FAR.

NP:  $€19 < X < 20M = 65\%$  of the FAR.

NP:  $€20 < X < 21M = 85\%$  of the FAR.

NP:  $X > €21M = 100\%$  of the FAR.

Sixty percent of the AVR due to the Executive Chairman, Chief Executive Officer, General Director and the Regional Director shall be paid within a maximum period of 15 days following the assessment, and in any case before the end of the month of March of the calendar year following the year in which such remuneration is accrued, March 2020). The remaining 40% will be subject to a three-year deferral period, the accrual and payment satisfied at a rate of a maximum of 13% in the first year of deferral, a maximum of 13% in the second year of deferral and a maximum of 14% in the third year of deferral. The payment due must be made before the end of the month of March of the calendar year following each of the years in which the deferral has taken place. i.e. 2021, 2022 and 2023.

For the vesting of the accrual and payment of 40% of the deferred AVR, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, will conduct an assessment at the end of each year of the deferral period, based on keeping up the profitability of the results of the Renta 4 Group, taking into account the circumstances of the sector during the reported period.

The payment of the AVR, both the 60% and the deferred 40%, will be performed 50% in cash and the other 50% in shares. To calculate the number of shares accrued to be delivered, the average market value of the share during the last 20 business days of the corresponding year will be used, where the shares are non-transferable during a period of 12 months following delivery.

Therefore, as the Group's Net Profit in 2019 was €17,602 million and the default level was less than 5%, the level of fulfilment of the year's targets set in the 2019 Remuneration Policy establishes that executive directors are entitled to receive a global Total AVR for 2019 for all of them of a global amount of €323,750. Specifically, the total AVR for the Executive Chairman for 2019 amounts to 105,000 euros; for the Managing Director, 96,250 euros; this same figure is also for the Director and General Manager, and for the Regional Director the amount is 26,250 euros.

Of the resulting total AVR for 2019, 60% of this amount will be paid during the first quarter of 2020 and the remaining 40% will be deferred to the following three fiscal years; 2021, 2022 and 2023. The payment of the variable remuneration, both the 60% and the deferred 40%, will be performed 50% in cash and the other 50% in shares.

Therefore, during the first quarter of 2020, the Entity will pay the Executive Directors 60% of the Total AVR for 2019, 50% in cash and the other 50% in shares. Specifically, the Executive Chairman will receive 63,000 euros (31,500 in cash and 31,500 in shares), the CEO 57,750 euros (28,875 in cash and 28,875 in shares), the General Manager 57,750 euros (28,875 in cash and 28,875 in shares) and the Regional Manager 15,750 euros (7,875 in cash and 7,875 in shares).

The other amounts corresponding to the deferred 40%, will be paid in the following three years (2021, 2022 and 2023), as established in the 2019 Remuneration Policy.

Finally, in relation to the AVR for 2018 and 2017, 60% of which was paid during the first quarter of 2019 and 2018, respectively, with the other 40% of each of the AVR deferred to the three years following the accrual year, the Board, at the proposal of the ARC, during the first quarter of 2020, conducted the performance assessment of the Executive Chairman, the CEO, the General Manager and the Director and Regional Manager on the basis of keeping up the profitability of the results of the Renta 4 Group, taking into account the circumstances of the sector during the reported period, where the result of the assessment was positive for all of them.

For this reason, during the first quarter of 2020, the Company will pay the executive directors, on the one hand, the first third (1/3) of the 40% deferred from the AVR corresponding to 2018, i.e. 13% of the AVR 2018 and, on the other hand, the second third (2/3) of the 40% deferred from the AVR corresponding to 2017, i.e. 13% of the AVR 2017, being in both cases paid, 50% in cash and 50% in shares.

Specifically, the total amount corresponding to the first third (1/3) of the 40% deferred AVR for the 2018 fiscal year is 18,500 euros, with Mr. Juan Carlos

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Ureta Domingo, the Executive Chairman, receiving the amount of 6,000 euros, 50% in cash (3,000) and the other 50% in shares (3,000), Mr. Juan Luis López García, the Chief Executive Officer and Mr. Jesús Sanchez-Quiñones González, Director and General Manager, each receiving 5,500 euros, 50% in cash (2,750) and the other 50% in shares (2,750) and Mr. Santiago González Enciso, Director and Regional Manager, receiving the amount of 1,500 euros, (750) in cash and (750) in shares.

On the other hand, the second third (2/3) of the 40% deferred from the AVR corresponding to 2017, amounts to the total amount of 71,120 euros, of which, Mr. Juan Carlos Ureta Domingo, the Executive Chairman, will receive the amount of 24,000 euros, 50% in cash (12,000) and the other 50% in shares (12,000), Mr. Juan Luis López García, the Managing Director and Mr. Jesús Sanchez-Quiñones González, Director and General Manager will each receive 20,800 euros, 50% in cash (10,400) and the other 50% in shares (10,400) and Mr. Santiago González Enciso, Director and Regional Manager will receive the amount of 5,520 euros, (2,760) in cash and (2,760) in shares.

Consequently, of the deferred 2018 AVR, two thirds (2/3) of the 40% of the 2018 deferred AVR, i.e. one third (1/3) for each of the years, should be paid in the following years, 2021 and 2022, if the annual assessment and the results of the Company so allow it. And of the deferred 2017 AVR, one third (1/3) of the 40% of the deferred AVR will be pending payment in the following year, 2021.

With regard to the decisions taken by the Board to apply these items, the Board of Directors proceeded, at the proposal of the ARC, to review and approve the Remuneration Policy for 2020 at its meeting held on 17 March 2020 to submit it for approval to the General Meeting. It also approved the Annual Remuneration Report for Directors for the year ended 31 December 2019, at the same meeting, for submission to the General Meeting.

Likewise, and taking into account the performance of the Company's activity and volume of business, the Board of Directors agreed on the variable remuneration of the executive directors for 2019, in accordance with the Remuneration Policy 2019, at the same above-mentioned meeting.

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

B.8. State whether any variable components have been reduced or a refund has been claimed when, in the former case, payment has been consolidated and deferred or, in the latter case, consolidated and paid, in accordance with data subsequently shown to be manifestly inaccurate. Describe the amounts reduced or refunded by the application of the reduction or clawback clauses, why they have been executed and to what years they relate.

No variable components have been reduced or clawed back from any director.

B.9. Explain the main characteristics of the long-term savings systems whose amount or equivalent annual cost is shown in the tables in Section C, including retirement and any other survivor's benefits, which are financed, partially or totally, by the company, whether they are provided internally or externally, indicating the type of plan, whether it is a defined contribution or benefit plan, the contingencies it covers, the conditions for consolidating the economic rights in favour of the directors and its compatibility with any type of compensation for early termination or termination of the contractual relationship between the company and the director.

The Company has not undertaken any pension, retirement or similar obligations with non-executive directors.

In relation to executive directors, since 2007 the Company has been covering the contingencies of retirement, incapacity for work, death, severe dependence or serious dependence by putting in place defined contribution employment system plans, i.e. for which the company is obliged to make fixed contributions to a third party, being externalised, by putting in place Pension Plans and the formalisation, by virtue of these, of insurance policies with an entity not related to the Company.

As regards coverage and vesting in accordance with the regulations on Pension Plans, to which 600 euros was contributed annually by each of the executive directors during 2019, being compatible with the compensations described in sections A.8 and A.9 (having the same content for both the current and the closed year referred to in this report), the contributions made during 2019, as well as the accumulated amounts, are described in section C.1.a) iii. below.

B.10. Explain, if applicable, the compensations or any other type of payment deriving from the early departure, whether the termination is at the will of the company or the director, or the termination of the contract, under the terms stipulated in such contract, accrued and/or received by the directors during the fiscal year.

The Company's directors have not earned or received any remuneration for this item during the 2019 fiscal year.

B.11. Indicate whether there have been significant changes in the contracts of those who perform senior management functions as executive directors and, if so, explain them. Likewise, explain the main conditions of the new contracts signed with executive directors during the year, unless they have already been explained in section A.1.

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During the 2019 financial year, there have been no changes in any of the contracts of the executive directors.

B.12. Explain any additional remuneration accruing to directors in consideration for services rendered other than those inherent to their position.

During 2019, no director has received any additional remuneration for services rendered other than those inherent to their position.

B.13. Explain any remuneration resulting from the granting of advances, loans and guarantees, indicating the interest rate, their key characteristics and any amounts repaid, as well as the obligations assumed by them as guarantees.

During the year 2019, the credit of Mr. Pedro Ángel Navarro Martínez in the amount of 1,000 thousand euros expired.

Also, on 28 July 2019 a loan of 1,500 thousand euros was granted to the company Avilugam, S.L. (a company in which Juan Carlos Ureta Domingo owns more than 15% of the company), with a repayment period of three years, ending on 27 June 2022, of which the company drew down at the end of fiscal year 2019 a total amount of 1,272 thousand euros.

In turn, Mr Francisco García Molina was granted a loan of 200 thousand euros, with a four-year repayment period, which ends on 8 July 2022. In 2019, he drew down 199 thousand euros.

On 28 June 2018, Mr. Santiago González Enciso was granted a loan of 775 thousand euros, with 639 thousand euros drawn down and a repayment period of three years, which is scheduled to end on 27 June 2021. In addition, it should be noted that on 23 April 2018 a loan was granted to Mrs Matilde Fernández de Miguel, spouse of Mr Santiago González Enciso for 175 thousand euros, having drawn down at year-end a total of 51 thousand euros, and the repayment period of the loan ends on 22 April 2021.

In relation to the interest rate, the loans have been granted at an interest margin ranging from 12-month Euribor plus 1.1% to 1.75%. The key characteristics, the obligations assumed by them as guarantees and the interest rate will be as indicated in section C.1.a.iv below.

B.14. Provide details of the in-kind remuneration accrued by directors during the year, briefly explaining the nature of the different salary components.

The directors of the Company have not accrued any remuneration for this item, except for that indicated in section B.9 above.

B.15. Explain the remuneration accrued by the director by virtue of payments made by the listed company to a third party in which the director provides services, when such payments are intended to remunerate the director's services in the company.

The directors of the Company did not accrue any remuneration in this regard.

B.16. Explain any other remuneration item other than the above, regardless of its nature or the group entity that pays it, especially when it is considered a related-party transaction or when its issuance distorts the true image of the total remuneration accrued by the director.

The Company's directors have not earned any remuneration other than that described above.

### C. DETAILS OF INDIVIDUAL REMUNERATION FOR EACH OF THE DIRECTORS

Name	Classification	Accrual period 2019
MR EDUARDO CHACON LOPEZ	Proprietary director	From 01/01/2019 to 31/12/2019
MR PEDRO FERRERAS DIEZ	Director Other External	From 01/01/2019 to 31/12/2019
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA	Proprietary director	From 01/01/2019 to 31/12/2019
MR FRANCISCO DE ASIS GARCIA MOLINA	Independent Director	From 01/01/2019 to 19/12/2019
MRS SARAH MARIE HARMON	Independent Director	From 01/01/2019 to 31/12/2019
MRS INES JUSTE BELLOSILLO	Independent Director	From 01/01/2019 to 31/12/2019
MUTUALIDAD DE LA ABOGACIA	Proprietary director	From 01/01/2019 to 19/12/2019
MR PEDRO ANGEL NAVARRO MARTINEZ	Director Other External	From 01/01/2019 to 31/12/2019
MR JOSE RAMON RUBIO LAPORTA	Independent Director	From 01/01/2019 to 31/12/2019
MR EDUARDO TRUEBA CORTES	Independent Director	From 01/01/2019 to 19/12/2019
MR JUAN LUIS LOPEZ GARCIA	CEO	From 01/01/2019 to 31/12/2019
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ	Executive Director	From 01/01/2019 to 31/12/2019
MR JUAN CARLOS URETA DOMINGO	Chairman	From 01/01/2019 to 31/12/2019
MR SANTIAGO GONZALEZ ENCISO	Executive Director	From 01/01/2019 to 31/12/2019
MRS. GEMA AZNAR CORNEJO	Independent Director	From 29/04/2019 to 31/12/2019

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

C.1. Complete the following tables concerning the individual remuneration of each of the directors (including remuneration for the exercising of executive functions) accrued during the year.

a) Remuneration of the company covered by this report:

(i) Remuneration accrued in cash (in thousands of euros)

Name	Fixed remuneration	Allowances	Remuneration for members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total fiscal year 2019	Total fiscal year 2018
MR EDUARDO CHACON LOPEZ	60								60	60
MR PEDRO FERRERAS DIEZ	60								60	60
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA	71								71	71
MR FRANCISCO DE ASIS GARCIA MOLINA	60								60	60
MRS SARAH MARIE HARMON	60								60	60
MRS INES JUSTE BELLOSILLO	60								60	60
MUTUALIDAD DE LA ABOGACIA	71								71	71
MR PEDRO ANGEL NAVARRO MARTINEZ	60								60	60
MR JOSE RAMON RUBIO LAPORTA	60								60	60
MR EDUARDO TRUEBA CORTES	60								60	60
MRS. GEMA AZNAR CORNEJO	15								15	0
MR JUAN LUIS LOPEZ GARCIA	275				12.00	11.00			298.00	328
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ	276				12.00	11.00			299.00	329
MR JUAN CARLOS URETA DOMINGO	300				14.00	12.00			326.00	361
MR SANTIAGO GONZALEZ ENCISO	75				3.00	3.00			81.00	87

Observations

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ii) Table of movements in remuneration systems based on shares and gross profit on consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of fiscal year 2019		Financial instruments granted during fiscal year 2019		Financial instruments consolidated within the fiscal year				Expired and not exercised instruments	Financial instruments at the end of fiscal year 2019	
		No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent/consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. Instruments:	No. Instruments:	No. of equivalent shares
MR EDUARDO CHACON LOPEZ	Plan							0.00				
MR PEDRO FERRERAS DIEZ	Plan							0.00				
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA	Plan							0.00				
MR FRANCISCO DE ASIS GARCIA MOLINA	Plan							0.00				
MRS SARAH MARIE HARMON	Plan							0.00				
MRS INES JUSTE BELLOSILLO	Plan							0.00				
MUTUALIDAD DE LA ABOGACIA	Plan							0.00				
MR PEDRO ANGEL NAVARRO MARTINEZ	Plan							0.00				
MR JOSE RAMON RUBIO LAPORTA	Plan							0.00				
MR EDUARDO TRUEBA CORTES	Plan							0.00				
MR JUAN LUIS LOPEZ GARCIA	Variable Remuneration Shares (2017 Remuneration Plan) Deferred	31		11	1.151	11	1.151	7,60			20	

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Name of the Plan	Financial instruments at the beginning of fiscal year 2019		Financial instruments granted during fiscal year 2019		Financial instruments consolidated within the fiscal year				Expired and not exercised instruments	Financial instruments at the end of fiscal year 2019	
		No. of instruments	No. of equivalent shares	No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent/consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. Instruments:	No. Instruments:	No. of equivalent shares
MR JUAN LUIS LOPEZ GARCIA	Variable Remuneration Shares (2018 Remuneration Plan)	21		12	1.256	12	1.256	7,60			9	
MR JESUS SANCHEZ-QUIÑONES GONZALEZ	Variable Remuneration Shares (2018 Remuneration Plan)	21		12		12	1.256	7,60			9	
MR JESUS SANCHEZ-QUIÑONES GONZALEZ	Variable Remuneration Shares (2017 Remuneration Plan) Deferred	31		11	1.152	11	1.152	7,60			20	
MR JUAN CARLOS URETA DOMINGO	Variable Remuneration Shares (2017 Remuneration Plan) Deferred Payment	36		12	1.248	12	1.248	7,60			24	
MR JUAN CARLOS URETA DOMINGO	Variable Remuneration Shares (2018 Remuneration Plan)	22		13		13	1.351	7,60			9	
MR SANTIAGO GONZALEZ ENCISO	Variable Remuneration Shares (2017)											
MR SANTIAGO GONZALEZ ENCISO	Variable Remuneration Shares (2018)	6		3		3	404	7,60			3	

Observations

During fiscal year 2019, part of the variable remuneration paid to executive directors Mr. Juan Carlos Ureta Domingo, Mr. Juan Luis López García, Mr. Jesús Sánchez-Quiñones González and Mr. Santiago Gonzalez Enciso, corresponds to the variable remuneration accrued in fiscal year 2017, 40% of which was deferred in thirds over the following three fiscal years (2019, 2020 and 2021). Specifically, the total variable remuneration for 2017, deferred and paid in 2019 amounted to 72 thousand euros, paid 50% in cash and 50% in shares. Specifically, the variable compensation paid in shares amounted to 37 thousand euros, with Mr. Juan Carlos Ureta Domingo receiving 12 thousand euros, Mr. Juan Luis López García and Mr. Jesús Sánchez-Quiñones González receiving 11 thousand euros each, and Mr. Santiago Gonzalez Enciso receiving 6 thousand euros.

On the other hand, of the variable remuneration in shares paid to the executive directors during 2019, the other part corresponds to the variable remuneration accrued in year 2018, in which it was agreed that 60% of the remuneration would be paid during the first quarter of 2019, deferring the remaining 40% to the following 3 years; 2020, 2021 and 2022, the amount to be paid being 1/3 of the total amount each year. The total remuneration would be paid 50% in cash and 50% in shares.

Consequently, in 2019, 60% of the variable remuneration accrued in 2018 was paid, specifically, to Mr. Juan Carlos Ureta Domingo received an amount of 27 thousand euros (14 thousand in cash and 13 thousand in shares including income to account), Mr. Juan Luis López García and Mr. Jesús Sánchez-Quiñones González the amount of 12 thousand euros to each of them, 50% in cash and the other 50% in shares and finally Mr. Santiago González I make 3 thousand euros in cash and the same amount in shares

(iii) Long-term savings schemes.

Name	Remuneration from consolidation of rights to savings systems
MR EDUARDO CHACON LOPEZ	
MR PEDRO FERRERAS DIEZ	
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA	

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Remuneration from consolidation of rights to savings systems
MR FRANCISCO DE ASIS GARCIA MOLINA	
MRS SARAH MARIE HARMON	
MRS INES JUSTE BELLOSILLO	
MUTUALIDAD DE LA ABOGACIA	
MR PEDRO ANGEL NAVARRO MARTINEZ	
MR JOSE RAMON RUBIO LAPORTA	
MR EDUARDO TRUEBA CORTES	
MR JUAN LUIS LOPEZ GARCIA	1
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ	1
MR JUAN CARLOS URETA DOMINGO	1
MR SANTIAGO GONZALEZ ENCISO	1

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2019	2018	2019	2018	2019	2018	2019	2018
MR EDUARDO CHACON LOPEZ								
MR PEDRO FERRERAS DIEZ								
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA								

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2019	2018	2019	2018	2019	2018	2019	2018
MR FRANCISCO DE ASIS GARCIA MOLINA								
MRS SARAH MARIE HARMON								
MRS INES JUSTE BELLOSILLO								
MUTUALIDAD DE LA ABOGACIA								
MR PEDRO ANGEL NAVARRO MARTINEZ								
MR JOSE RAMON RUBIO LAPORTA								
MR EDUARDO TRUEBA CORTES								
MR JUAN LUIS LOPEZ GARCIA	1	1			15		11	
MR JESUS SANCHEZ-QUIÑONES GONZALEZ	1	1			16		13	
MR JUAN CARLOS URETA DOMINGO	1	1			15		11	
MR SANTIAGO GONZALEZ ENCISO	1	1			11		9	

Observations

iv) Details of other items

Name	Item	Amount of remuneration
MR EDUARDO CHACON LOPEZ		
MR PEDRO FERRERAS DIEZ		
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA		
MR FRANCISCO DE ASIS GARCIA MOLINA		
MRS SARAH MARIE HARMON		
MRS INES JUSTE BELLOSILLO		
MUTUALIDAD DE LA ABOGACIA		
MR PEDRO ANGEL NAVARRO MARTINEZ		
MR JOSE RAMON RUBIO LAPORTA		
MR EDUARDO TRUEBA CORTES		
MR JUAN LUIS LOPEZ GARCIA		
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ		
MR JUAN CARLOS URETA DOMINGO		
MR SANTIAGO GONZALEZ ENCISO		

Observations

During fiscal year 2019, the 1,000 thousand euros loan granted to Mr. Pedro Ángel Navarro Martínez expired.

Also, on 28 July 2019 a loan of 1,500 thousand euros was granted to the company Avilugam, S.L. (a company in which Juan Carlos Ureta Domingo owns more than 15% of the company), with a repayment period of three years, ending on 27 June 2022, of which the company drew down at the end of fiscal year 2019 a total amount of 1,272 thousand euros.

In addition, Mr. Francisco García Molina (currently no longer a director since November 2019) was granted a loan of 200 thousand euros with a 4-year repayment period, which will end on July 8, 2022, and during 2019 he drew down 199 thousand euros.

On 28 June 2018, Mr. Santiago González Enciso was granted a loan of 775 thousand euros, with 639 thousand euros drawn down and a repayment period of three years, which is scheduled to end on 27 June 2021. In addition, it should be noted that on 23 April 2018 a loan was granted to Mrs Matilde Fernández de Miguel, spouse of Mr Santiago González Enciso for 175 thousand euros, having drawn down at year-end a total of 51 thousand euros, and the repayment period of the loan ends on 22 April 2021.

In relation to the interest rate, the loans were granted at an interest margin ranging from 12-month Euribor plus 1.1% to 1.75%. The specifics and the liabilities taken therefor by way of collateral and the interest rate are those set in section C.1.a.iv) below.

b) Remuneration to company directors as members of the boards at other group companies:

(i) Remuneration accrued in cash (in thousands of euros)

Name	Fixed remuneration	Allowances	Remuneration for members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total fiscal year 2019	Total fiscal year 2018
MR EDUARDO CHACON LOPEZ										
MR PEDRO FERRERAS DIEZ										
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA										
MR FRANCISCO DE ASIS GARCIA MOLINA										
MRS SARAH MARIE HARMON										

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Fixed remuneration	Allowances	Remuneration for members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total fiscal year 2019	Total fiscal year 2018
MRS INES JUSTE BELLOSILLO										
MUTUALIDAD DE LA ABOGACIA										
MR PEDRO ANGEL NAVARRO MARTINEZ										
MR JOSE RAMON RUBIO LAPORTA										
MR EDUARDO TRUEBA CORTES										
MR JUAN LUIS LOPEZ GARCIA										
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ										
MR JUAN CARLOS URETA DOMINGO										
MR SANTIAGO GONZALEZ ENCISO										

Observations

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ii) Table of movements in remuneration systems based on shares and gross profit on consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of fiscal year 2019		Financial instruments granted during fiscal year 2019		Financial instruments consolidated within the fiscal year				Expired and not exercised instruments	Financial instruments at the end of fiscal year 2019	
		No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent shares	No. Instruments:	No. of equivalent/consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. Instruments:	No. Instruments:	No. of equivalent shares
MR EDUARDO CHACON LOPEZ	Plan							0.00				
MR PEDRO FERRERAS DIEZ	Plan							0.00				
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA	Plan							0.00				
MR FRANCISCO DE ASIS GARCIA MOLINA	Plan							0.00				
MRS SARAH MARIE HARMON	Plan							0.00				
MRS INES JUSTE BELLOSILLO	Plan							0.00				
MUTUALIDAD DE LA ABOGACIA	Plan							0.00				
MR PEDRO ANGEL NAVARRO MARTINEZ	Plan							0.00				

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Name of the Plan	Financial instruments at the beginning of fiscal year 2019		Financial instruments granted during fiscal year 2019		Financial instruments consolidated within the fiscal year				Expired and not exercised instruments	Financial instruments at the end of fiscal year 2019	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/conso lidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MR JOSE RAMON RUBIO LAPORTA	Plan							0.00				
MR EDUARDO TRUEBA CORTES	Plan							0.00				
MR JUAN LUIS LOPEZ GARCIA	Plan							0.00				
MR JESUS SANCHEZ-QUIÑONES GONZALEZ	Plan							0.00				
MR JUAN CARLOS URETA DOMINGO	Plan							0.00				
MR SANTIAGO GONZALEZ ENCISO	Plan							0.00				

Observations

(iii) Long-term savings schemes.

Name	Remuneration from consolidation of rights to savings systems
MR EDUARDO CHACON LOPEZ	
MR PEDRO FERRERAS DIEZ	
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA	
MR FRANCISCO DE ASIS GARCIA MOLINA	
MRS SARAH MARIE HARMON	
MRS INES JUSTE BELLOSILLO	
MUTUALIDAD DE LA ABOGACIA	
MR PEDRO ANGEL NAVARRO MARTINEZ	
MR JOSE RAMON RUBIO LAPORTA	
MR EDUARDO TRUEBA CORTES	
MR JUAN LUIS LOPEZ GARCIA	
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ	
MR JUAN CARLOS URETA DOMINGO	
MR SANTIAGO GONZALEZ ENCISO	

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2019	2018	2019	2018	2019	2018	2019	2018
MR EDUARDO CHACON LOPEZ								
MR PEDRO FERRERAS DIEZ								
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA								
MR FRANCISCO DE ASIS GARCIA MOLINA								
MRS SARAH MARIE HARMON								
MRS INES JUSTE BELLOSILLO								
MUTUALIDAD DE LA ABOGACIA								
MR PEDRO ANGEL NAVARRO MARTINEZ								
MR JOSE RAMON RUBIO LAPORTA								
MR EDUARDO TRUEBA CORTES								
MR JUAN LUIS LOPEZ GARCIA								
MR JESUS SANCHEZ-QUIÑONES GONZALEZ								

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2019	2018	2019	2018	2019	2018	2019	2018
MR JUAN CARLOS URETA DOMINGO								
MR SANTIAGO GONZALEZ ENCISO								

Observations
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### iv) Details of other items

Name	Item	Amount of remuneration
MR EDUARDO CHACON LOPEZ		
MR PEDRO FERRERAS DIEZ		
FUNDACIÓN OBRA SOCIAL ABOGACÍA ESPAÑOLA		
MR FRANCISCO DE ASIS GARCIA MOLINA		
MRS SARAH MARIE HARMON		
MRS INES JUSTE BELLOSILLO		
MUTUALIDAD DE LA ABOGACIA		
MR PEDRO ANGEL NAVARRO MARTINEZ		
MR JOSE RAMON RUBIO LAPORTA		

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Item	Amount of remuneration
MR EDUARDO TRUEBA CORTES		
MR JUAN LUIS LOPEZ GARCIA		
MR JESÚS SANCHEZ- QUIÑONES GONZALEZ		
MR JUAN CARLOS URETA DOMINGO		
MR SANTIAGO GONZALEZ ENCISO		

Observations
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[ ]

### c) Summary of remuneration (in thousands of euros):

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

Name	Remuneration accrued at the Company					Remuneration accrued at group companies				
	Total Cash remuneration	Gross profit on consolidated shares or financial instruments	Remuneration from savings systems	Remuneration from other concepts	Total year 2019 company	Total Cash remuneration	Gross profit on consolidated shares or financial instruments	Remuneration from savings systems	Remuneration from other concepts	Total year 2019 group
MR EDUARDO CHACON LOPEZ	60				60					
MR INES JUSTE BELLOSILLO	60				60					
MR PEDRO FERRERAS DIEZ	60				60					
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	71				71					
MR FRANCISCO DE ASIS GARCIA MOLINA	60				60					

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES

Name	Remuneration accrued at the Company					Remuneration accrued at group companies				
	Total Cash remuneration	Gross profit on consolidated shares or financial instruments	Remuneration from savings systems	Remuneration from other concepts	Total year 2019 company	Total Cash remuneration	Gross profit on consolidated shares or financial instruments	Remuneration from savings systems	Remuneration from other concepts	Total year 2019 group
MRS SARAH MARIE HARMON	60				60					
FUNDACION OBRA SOCIAL ABOGACIA ESPAÑOLA	71				71					
MR PEDRO ANGEL NAVARRO MARTINEZ	60				60					
MR JOSE RAMON RUBIO LAPORTA	60				60					
MR EDUARDO TRUEBA CORTES	60				60					
MRS GEMA AZNAR CORNEJO	15				15					
MR JUAN LUIS LOPEZ GARCIA	298	23	1		322					
MR JESUS SANCHEZ-QUIÑONES GONZALEZ	299	23	1		323					
MR JUAN CARLOS URETA DOMINGO	326	25	1		352					
TOTAL	1.641	77	4		1.722					

Observations

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#### D. OTHER INFORMATION OF INTEREST

If there is any relevant aspect regarding the remuneration of the directors that could not be included in the rest of the sections of this report, but which is necessary to include in order to gather more complete and reasoned information on the structure and remuneration practices of the company in relation to its directors, please provide a brief description of such aspects here.

The Company's directors have not accrued any remuneration other than that indicated in Section B of this report, without prejudice to the amounts indicated in section D.3 of the Annual Corporate Governance Report concerning related-party transactions between entities owned by the directors and the Company itself.

On the other hand, the figures included in sections C.1.a.i., C.1.a.ii, C.1.a.iii and C.1.c refer to the amounts paid and received in 2019 for all the directors, not having accrued any variable remuneration during fiscal year 2019 other than those included in section B above.

Also, as explained in section B.7, of the variable remuneration paid to the executive directors during 2019, the other part corresponds to the variable remuneration accrued in 2018, in which it was agreed that 60% of the remuneration would be paid during the first quarter of 2019 and the remaining 40% would be deferred in the following three years; 2020, 2021 and 2022, with the amount to be paid being 1/3 in each of the following years. The total remuneration would be paid 50% in cash and 50% in shares.

Consequently, in 2019, a total variable remuneration of 533 thousand euros was accrued, paying the executive directors 60% of the total variable remuneration for 2018, which amounted to 320 thousand euros, of which 160 thousand were paid in cash and 160 thousand in shares, including the payment corresponding to the in-kind remuneration of the shares. Specifically, Mr. Juan Carlos Ureta Domingo received 54 thousand euros in shares and Mr. Juan Luis López García and Mr. Jesús Sánchez-Quiñones González received 47 thousand euros in shares each. All of this is included in the section C.1.a.ii, which reflects the amounts accrued at the beginning of the 2019 financial year, the shares paid in 2019, as well as the deferred amounts in shares, for each of the executive directors.

This annual remuneration report was approved by the company's board of directors at their meeting held on

[ 17/03/2020 ]

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

[ ] Yes  
[ √ ] No