

**ANNUAL REPORT ON REMUNERATION OF DIRECTORS  
OF LISTED COMPANIES**

**ISSUER IDENTIFICATION**

YEAR END DATE 31/12/2020

Tax Identification Nr. A48012009

Company Name: DEOLEO, S.A.

Registered Office: Ctra. N-IV (Km 388) - 14610 Alcolea (Córdoba)

## ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF LISTED COMPANIES

### A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FISCAL YEAR

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

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

At any event, the following aspects should be reported:

-Description of the procedures and company bodies involved in determining and approving the remuneration policy and its terms and conditions.

-Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.

-Information on whether any external advisors took part in this process and, if so, their identify.

The General Shareholders' Meeting of DEOLEO (the "General Shareholders' Meeting") held on June 3, 2019 approved the Remuneration Policy for the directors of DEOLEO, S.A. ("DEOLEO" or the "Company", and jointly with all the subsidiaries the "DEOLEO Group" or the "Group", that will be applicable for the years 2019, 2020 and 2021. Prior to this decision and after weeks of work, the Appointments and Remuneration Committee of DEOLEO approved on April 25, 2019 its report to the Board of Directors, in compliance with the provisions of article 529 novodecies of the Capital Companies Law, on the mentioned Remuneration Policy for the directors of DEOLEO. On that same date, the Board of Directors of DEOLEO (the "Board of Directors") agreed to formulate the approval proposal to the General Shareholders' Meeting.

The Remuneration Policy for the directors of DEOLEO is based on the provisions of (i) the regulations applicable to capital companies; (ii) the Bylaws and Regulations of the Company's Board of Directors; and (iii) the resolutions adopted by the General Shareholders' Meeting. Additionally, it considers the recommendations of good corporate governance and the best market practices.

The general principles and foundations of the Remuneration Policy for the directors are:

- Transparency: The information on the remuneration of the directors is transparent.
- Prudence: Directors' remuneration is reasonably proportionate to the importance of the Company, its economic situation, and the market standards of comparable companies.
- Linked to results: It is compatible and aligned with the business strategy, values and long-term interests of the Company and its shareholders and is aimed at promoting the profitability and long-term sustainability of the DEOLEO Group.

- Balance: In the case of executive directors, the remuneration structure presents a balanced and efficient relationship between the fixed components and the variable components, leaving the variable remuneration subject to the achievement of specific, quantifiable objectives and directly linked to the interests of the shareholders.

Article 26 of the Company Bylaws and article 35 of the Regulations of the Board of Directors establish that the position of director is remunerated and distinguishes between the remuneration of directors in their capacity as such and the remuneration of directors who perform executive functions (the "executive directors").

a) Characteristics of the Remuneration Policy for the directors in their capacity as such

The application of the principles implies that their remuneration has the following characteristics:

- It is aligned with the standards in matters of corporate governance and market circumstances, considering the characteristics of the Company and its activity.
- It remunerates in accordance with the positions and responsibilities assumed in the Board and its delegated bodies. In this sense, the amount of the attendance fees depends on the position and responsibility assumed by each Director, in such a way that the amounts of the attendance fees are higher in the case of the Chairmen of the Delegated Committees of the Board of Directors.
- It is reasonable to reward the dedication, qualification, functions, and responsibilities required for the performance of the position, without constituting an obstacle to their independence, not affecting the objectivity in the defence of the long-term interests of all the shareholders.
- Lastly, and following the recommendations of the Good Governance Code of Listed Companies, the directors in their capacity as such do not have variable remuneration schemes.

b) Characteristics of the Remuneration Policy for the executive directors

The remuneration system for executive directors has the following characteristics:

- Remuneration is assigned for the performance of executive functions.
- Presents a balanced and efficient relationship between the fixed components and the variable components.
- The variable components of the remuneration of executive directors are linked to performance and the achievement of specific, quantifiable objectives, aligned with the interest of the shareholders, as well as the creation of value for DEOLEO.
- The remuneration system is compatible with business strategy, values, and long-term interests of Deoleo, and is aimed at promoting the long-term profitability and sustainability of the Company.
- Market trends are considered, and it is positioned in accordance with the Group's strategic approach, being effective in attracting and retaining the best professionals.

The Remuneration Policy is aimed at generating value for the Company, seeking alignment with the interests of the shareholders and with strict compliance with current regulations regarding remuneration of directors of listed companies.

For the formulation and approval of the Remuneration Policy for the directors, the company received external advice in 2017, for its definition, from J&A Garrigues, S.L.P.

Regarding the updating process of the Remuneration Policy for the directors that is applicable to the years 2019, 2020 and 2021, the Appointments and Remuneration Committee presented the different proposals to the Board of Directors at the meeting held on September 14, 2020.

The Board of Directors held on the same date approved the proposal for the Remuneration Policy for the directors in the terms informed by the Appointments and Remuneration Committee.

Taking this proposal into consideration, the General Shareholders' Meeting held on October 29, 2020 approved certain updates to the Remuneration Policy for the directors, which make up the text in force in the current fiscal year.

Without prejudice to the provisions of the Capital Companies Law ("LSC") regarding the Remuneration Policy for the directors, the Board of Directors of Deoleo, S.A., after the corresponding reports of the Appointments and Remuneration Committee, will adopt and will periodically review the general principles of the Remuneration Policy, and will be responsible for supervising its application. For this purpose, the Board of Directors of Deoleo, S.A. will annually review the principles and procedures contained in the Remuneration Policy for the directors, to incorporate or, where appropriate, to propose the appropriate modifications, adaptations, development standards or regulatory criteria deemed necessary.

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

Furthermore, state whether the company has established any period for the accrual or consolidation of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or the assignment of accrued and consolidated financial instruments, or if any clause exists reducing the deferred remuneration or that obliges the director to return the remunerations received, when such remuneration had been based on certain data that have clearly been shown to be inaccurate after it was agreed.

By virtue of what it is established in the Remuneration Policy for the directors, the only member of the Board of Directors that has a variable remuneration scheme is the executive director.

The variable components of the remuneration of the executive director are the following:

a) Short-term variable remuneration:

It is intended to be in line with the most common market practices in remuneration matters and to link its payment to the fulfilment of strategic and quantitative objectives.

The annual variable remuneration of executive directors is determined based on the achievement of objectives determined by the Board of Directors, at the proposal of the Appointments and Remuneration Committee. Quantitative indicators are established, budgeted and reported annually, which may be linked, among other aspects, to the strategic objectives of the Company, the evolution of the business, and the increase in value for shareholders (for example, EBITDA, net debt, etc.)

The Board of Directors, at the proposal of the Appointments and Remuneration Committee, will set the quantitative objectives of the variable remuneration for each year, to align them with the interests of the Company and its shareholders.

The amount of variable remuneration for the executive directors is determined as a certain percentage of the fixed remuneration, which can vary between (a) 0% (if objectives are not achieved above the minimum threshold), and (b) 50% of the fixed remuneration (if the level of fulfilment of the objectives reaches 100%). Notwithstanding the above, and if the level of achievement of the objectives is exceeded, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, may agree that the annual variable remuneration of the executive directors exceeds the 50% of the fixed remuneration.

Considering all the above, once the fiscal year is over, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, will determine the annual variable remuneration accrued considering the degree of fulfilment of the objectives.

b) Medium and long-term variable remuneration:

It aims to foster both the permanence of the executive directors in the Company and their commitment with the Company's shareholders in the medium and long term.

In accordance with the provisions of article 26 of the Company Bylaws, executive directors may participate in the incentive systems that, where appropriate, are established for the Company's senior management, which may include delivery of shares or of option rights on shares, or through any remuneration system that is referenced to the value of the share, with the prior agreement of the General Shareholders Meeting, which must contain the mentions that are legally required in this regard.

These medium and long-term variable remuneration systems may be referenced, among other objectives, to the value of the Company's shares, to the fulfilment of the strategic objectives defined, or to the permanence in the Company for a certain period.

The inclusion of executive directors in these systems will be subject, if the remuneration includes the deliverance of shares or is referenced to the value of the shares, to the corresponding mandatory approval of the General Shareholders' Meeting, in accordance with the provisions established in article 219 of the LSC.

The Remuneration Policy for the directors in force does not include clauses for the recovery of incentives that imply the obligation to return the variable remuneration that has already been paid.

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

In accordance with article 26 of the Bylaws of Deoleo, S.A. the remuneration structure of the directors for the mere exercise of their functions as members of the Board of Directors will consist of (i) a fixed annual fee, and (ii) attendance fees for attending each meeting of the Board of Directors and its Committees.

Notwithstanding the foregoing, it is envisaged that the remuneration of the directors in their capacity as such will consist solely of attendance fees to the Board and its Committees meetings, in the amount determined by the Board of Directors and that in no case may exceed the following amounts:

- Attendance fees to the meetings of the Board of Directors: €3,500 per session, with a limit of €41,000 per year, except for the Chairman of the Board if he does not have the status of executive director, who will receive the double that received by the directors in their capacity as such per session, without the limit for said directors of €41,000.
- Attendance fees to the meetings of the Committees of which they are members: €1,500 per session, except for the Chairman of each of these bodies, who will receive €2,500 per session.

As a consequence of the refinancing and the corporate reorganization processes undertaken by the Group and carried out on June 24, 2020 (the "Refinancing"), there are directors of Deoleo, S.A. in their capacity as such who also hold this status in the group company Deoleo UK, Ltd.

In this sense, the Remuneration Policy for the directors establishes that those directors of DEOLEO who receive attendance fees for the meetings of the governing bodies of other subsidiaries, or that receive other remuneration from other subsidiaries, will not receive fees for their attendance at the meetings of the Board of Directors nor its Committees.

In any case, the total amount of remuneration of the directors in their capacity as such must respect, until the General Meeting of Shareholders may not approve its modification, the maximum remuneration of €750,000 per year established by the General Meeting of Shareholders held on May 28, 2015, at the proposal of the Board of Directors (with previous favourable report from the Appointments and Remuneration Committee), in accordance with the provisions of article 217.3 of the LSC. The Remuneration Policy for the directors approved by the General Shareholders' Meeting held on June 3, 2019 includes this maximum limit.

In the event that new members join the Board of Directors during the term of this Remuneration Policy, this same remuneration system would be applicable.

According to the resolution adopted by the Board of Directors on March 25, 2019, which is in line with that adopted by the Board of Directors on December 20, 2017, in the event that the meetings of the Board of Directors or its Committees are held by phone or other electronic means, the directors will receive the attendance fees provided for in the previous sections, unless there are exceptional circumstances appreciated by the Appointments and Remuneration Committee.

Additionally, the Company reimburses the directors for reasonable expenses for attending the meetings (e.g. travel, accommodation and meals) of both the Board of Directors and its Committees.

In accordance with article 26 of the Company Bylaws, the Company may take out civil liability insurance for any director or former director of the Company or of any related company under the usual and reasonable conditions, considering the circumstances of the Company itself.

During the current fiscal year, DEOLEO will pay the corresponding premium for the civil liability insurance for its directors in their capacity as such under the terms set in the aforementioned statutory provision.

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

The basic remuneration of the executive director is fixed, paid monthly, and is determined based on the level of responsibility in the Company and their position, ensuring that it is competitive with other entities comparable to DEOLEO.

For the current fiscal year, the fixed annual remuneration of the executive director is expected to amount to €475,000, which corresponds to the gross annual salary, and is distributed in 12 monthly payments of the same amount.

This remuneration is understood referred to the entire year, therefore, if the executive director may leave the position on a date other than the beginning or the end of the year, he will receive the amount accrued, proportionally to the time worked in said year.

This remuneration will remain invariable during the period of validity of the Remuneration Policy for the directors in force, unless the Board of Directors, upon a proposal from the Appointments and Remuneration Committee, agrees to update it considering the responsibilities and specific characteristics of the functions performed and the corresponding market analyses of fixed remuneration for equivalent executive positions in comparable companies.

Even though the Company Bylaws establish that the remuneration received by the directors in their capacity as such is compatible and independent of the remuneration that they may receive for the exercise of executive functions, the executive directors do not receive any remuneration or attendance fees neither for the exercise of this position as directors in their capacity as such in Deoleo, S.A. nor in other Group companies.

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

During the current fiscal year, DEOLEO will pay the corresponding premium for the civil liability insurance for the executive director under the terms set forth in article 26 of the Company Bylaws.

DEOLEO will also pay the premium for the private health insurance with additional coverage for the spouse and children of the executive director, will provide him with a company vehicle and will provide other common social benefits to the employees of Deoleo Global, S.A.U.

-Amount and nature of variable components, differentiating between those established in the short and long-term. Financial and non-financial, including social, environmental and climate change parameters selected to determine the variable remuneration in the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, together with their risk profile, and the methodology, deadline necessary and techniques established to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

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

There is only one executive director, this position being held in the current year by Mr. Ignacio Silva Alcalde.

The variable components of the remuneration of the executive director are the following:

a) Short-term variable remuneration ("Annual Variable Remuneration"):

The Annual Variable Remuneration of the executive director is determined based on the achievement of certain objectives established by the Board of Directors, at the proposal of the Appointments and Remuneration Committee.

The Annual Variable Remuneration system includes quantitative indicators set and communicated annually, which may be linked, among other aspects, to the strategic objectives of the Company, the evolution of the business, and the increase in value for shareholders.

To calculate the Annual Variable Remuneration for the current year, the objectives will be associated with the achievement of two main parameters:

- i) EBITDA.
- ii) Individual objectives in relation to various operational and strategic aspects.

The amount of variable remuneration of the executive director is calculated as a certain percentage of the fixed remuneration, which would reach 50% of the fixed remuneration if the level of joint achievement of the objectives were 100%.

Notwithstanding the foregoing, and if the level of achievement of the objectives is exceeded, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, may agree that the annual variable remuneration of the executive director exceeds the 50% of the fixed remuneration.

Once the current fiscal year is ended, the Board of Directors, after the Appointments and Remuneration Committee reviews the compliance level with the objectives, and at its proposal, will approve the corresponding amount for the accrual of the annual variable remuneration.

b) Medium and long-term variable remuneration:

The General Shareholders' Meeting held on October 29, 2020 agreed to cancel the long-term remuneration scheme on an extraordinary and non-consolidated basis, for certain employees and members of the Company's management team, including the executive directors, which was approved by the General Shareholders' Meeting in its session of June 5, 2017.

c) Management Incentive Plan 2020:

In the context of the Refinancing process, DEOLEO, Deoleo Holding ("Deoleo Holding"), Deoleo UK, Ltd. ("Deoleo UK") and the lender entities subscribed, on June 24, 2020, the Shareholders Agreement (the "SHA").

One of the aspects included in the SHA was the creation of an extraordinary long-term remuneration scheme (the "Management Incentive Plan") for the members of the executive team of the Deoleo Holding and its subsidiaries (the "Deoleo Holding Subgroup"), including Mr. Ignacio Silva Alcalde, with the aim of: (i) compensating them for their efforts to deliver the key strategic objectives of the Deoleo Holding Subgroup defined in the long-term business plan; and (ii) offering them a competitive remuneration tied to the Deoleo Holding Subgroup's strategy with the aim of retaining key management personnel; and (iii) aligning their interests with those of the shareholders and stakeholders of the Deoleo Holding Subgroup.

This Management Incentive Plan was reviewed by the Appointments and Remuneration Committee of DEOLEO in the meeting held on May 7, 2020, favourably informing to the Board of Directors held on this same date.

The Sole Shareholder of Deoleo Holding approved the Management Incentive Plan on June 24, 2020, and the Board of Directors of Deoleo UK approved the implementation of the Management Incentive Plan on July 7, 2020.

Under the Management Incentive Plan, the beneficiaries are entitled to receive an extraordinary cash bonus to be determined in consideration of the increase in the value of Deoleo Holding, S.L. whenever a potential Sale takes place, and if the conditions set in the Management Incentive Plan are met. Additional information on this remuneration system is included in section B.7.

Any increase in the maximum total amount that Deoleo Holding or any Group Company should satisfy the beneficiaries of the Management Incentive Plan, as well as other modifications in the terms thereof, it is a matter reserved for the approval of the Board of Directors of Deoleo UK.

DEOLEO has concluded that as of December 31, 2020, the employee expense to be accrued cannot be determined, therefore no amount corresponding to the Management Incentive Plan has been registered. The situation will be reviewed on future reporting dates in light of the trends in the different variables that affect its valuation.

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

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

DEOLEO does not have any long-term savings system in place for executive directors, despite the provisions of article 26 of the Company Bylaws.

Notwithstanding the foregoing, in accordance with article 26 of the Company Bylaws and in view of the functions assigned to executive directors, they may be entitled to participate in the appropriate pension and insurance systems.

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

DEOLEO does not have any compensation agreed in the event of termination with the directors in their capacity as such.

Regarding the executive director, see the following section.

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

The essential terms and conditions of the executive director's Services Agreement, formalized in April 2019, are as follows:

- Duration: The executive director has an indefinite Services Agreement (the "Agreement") that remains in force while performing the executive functions delegated to him by the Board of Directors based on his position.
- Severance: In the event of early termination of the Agreement under certain circumstances, other than the breach of its administrator duties, it includes a compensation equivalent to a predetermined number of days on the gross fixed salary received at the time of termination for each year of service, with a maximum of 18 monthly payments of gross fixed remuneration to be received in cash, depending on the date on which the termination may occur.

- Exclusivity: The executive director is obliged to carry out his duties under a full dedication and exclusivity regime, unless otherwise authorized in writing.
- Post-contractual non-competition: The executive director may not provide any type of services or participate directly or indirectly in the share capital or in the management of any company that may be considered a competitor of DEOLEO, unless expressly authorized by the Company. The duration of this clause is one year from the termination of the Services Agreement, and the economic compensation derived from this pact is understood included in the amount of the remuneration provided for the director.

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

It is not foreseen the accrual of any other supplementary remuneration by directors in consideration for services rendered other than those inherent to their position in the current year.

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

The Remuneration Policy for the directors does not include other remunerations in favour of the directors in the form of credits or guarantees granted, nor obligations assumed on their behalf as collaterals.

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

The existence of other supplementary remunerations different of those included in the previous sections, to be paid by Deoleo, S.A. or other group companies, is not foreseen in the current year.

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

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

As previously mentioned, the General Shareholders' Meeting held on October 29, 2020 approved the modification of the Remuneration Policy for the directors, under the terms proposed by the Board of Directors and favourably informed by the Appointments and Remuneration Committee.

The modifications refer mainly to:

- The elimination of references to the extraordinary and non-consolidable long-term remuneration scheme for certain employees and members of the Company's management team, including to the executive directors, approved by the General Shareholders' Meeting on June 5, 2017, after the cancellation of said remuneration scheme by the Board of Directors held on September 14, 2020.

- The inclusion of the provision that those directors of DEOLEO who receive fees for attending the meetings of the governing bodies of other subsidiaries or other remuneration from them, will not receive any fee for their attendance at the of the Board of Directors (of DEOLEO) meetings, nor of its Commissions.

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

<https://deoleo-prod-assets.s3.eu-west-1.amazonaws.com/app/uploads/2020/07/05151644/12.JGA-2020-Politica-remuneraciones-de-los-Consejeros-DEOLEO-2020.pdf>

**A.4** Explain, taking into account the data provided in Section B.4, the outcome of voting, of consultative nature, by shareholders at the General Shareholders' Meeting of the Annual Report on Remuneration of Directors of the previous year.

At the General Shareholders' Meeting of Deoleo, S.A. held on October 29, 2020, the Annual Report on Remuneration of Directors corresponding to the previous year was approved by 99.66% of the votes in favour.

## **B. OVERALL SUMMARY OF HOW THE REMUNERATIONS POLICY WAS APPLIED DURING THE YEAR ENDED**

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

As indicated in section A.2 above, the Remuneration Policy for the directors applicable for the years 2019, 2020 and 2021 was approved by the General Shareholders' Meeting held on June 3, 2019 and has been modified at the General Shareholders' Meeting held on October 29, 2020 in the terms reported by the Board of Directors.

Regarding the process of updating the Remuneration Policy for the directors, the Appointments and Remuneration Committee of DEOLEO has played a fundamental role, promoting the works carried out in this regard, presenting the different proposals to the Board of Directors at the meeting held on September 14, 2020, and formulating the corresponding report that, in accordance with the current internal regulations of the Appointments and Remuneration Committee, must be issued in relation to the Remuneration Policy for the directors.

The Board of Directors held on September 14, 2020 approved the proposed Remuneration Policy for the directors in the terms reported by the Appointments and Remuneration Committee.

As already explained in section A.2 above, the Remuneration Policy for the directors has been modified in the following terms:

- The elimination of references to the extraordinary and non-consolidable long-term remuneration scheme for certain employees and members of the Company's management team, including to the executive directors, approved by the General Shareholders' Meeting on June 5, 2017.
- The inclusion of the provision that those directors of DEOLEO who receive fees for attending the meetings of the governing bodies of other subsidiaries or other remuneration from them, will not receive any fee for their attendance at the of the Board of Directors (of DEOLEO) meetings, nor of its Commissions.

Additionally, the Appointments and Remuneration Committee has exercised the functions of supervision of the Remuneration Policy for directors, ensuring that it is applied in the terms approved as previously stated.

The Remuneration Policy for the directors in force in the year ended is consistent with the previous Remuneration Policy defined in FY 2017. For the formulation and approval of the previous Remuneration Policy for the directors the company had, at the time of its definition, the external advice of the firm J&A Garrigues, S.L.P.

Given that there were no substantial changes between Remuneration Policy for the directors, approved by the General Shareholders' Meeting on October 29, 2020, and the one approved by the General Shareholders' Meeting on June 5, 2017, the Appointments and Remuneration Committee has not considered necessary to request for external advice additional to that received at the time.

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

The Board of Directors, prior the report from the Appointments and Remuneration Committee, determines annually the degree of compliance with the objectives established for executive directors. The Committee exercises the function of continuous supervision and review of the Remuneration Policy for the directors.

The variable remuneration system is linked to the achievement of the objectives set and communicated annually. They are mainly aligned with EBITDA levels, as well as with other individual parameters linked to the Group's strategic objectives, and which represent key indicators in the evolution of the business and in the increase in value for the shareholders.

The scheme and criteria for setting the objectives of senior management and the rest of the employees, the modifications of the contractual conditions of the top management, and the variable remuneration proposal for senior management, are assessed and reported by the Appointments and Remuneration Committee and are approved by the Board of Directors.

In this sense, the Board of Directors held on February 27, 2020, at the proposal of the Appointments and Remuneration Committee, approved the criteria for the accrual of the variable remuneration of the Group's top management for the 2020 fiscal year.

The Board of Directors held on April 17, 2020, at the proposal of the Appointments and Remuneration Committee, approved the criteria for the accrual of the annual variable remuneration of the executive director for the 2020 fiscal year.

The Board of Directors held on February 23, 2021, at the proposal of the Appointments and Remuneration Committee, approved the proposal for the settlement of the variable remuneration of the executive director and of the Group management team of FY 2020, with the degree of fulfilment of the established objectives.

The objectives for the accrual of the bonus are aimed at stimulating the achievement of both individual and business results, defining measurable quantitative and qualitative objectives in advanced, eliminating subjectivity factors as possible, which are determined and communicated annually.

The main schemes existing in 2020 for accrual of short-term variable remuneration that are:

- Business Units: (i) EBITDA of the corresponding Business Unit; (ii) Sales volume; and (iii) Individual objectives, based on adequate risk management and processes optimization based on key performance indicators.
- Service Units: (i) Group EBITDA; and (ii) Individual objectives, which are aligned with DEOLEO's strategic objectives, and represent key indicators in the evolution of the business and in the increase in value for the shareholders.

There is a minimum threshold for achieving the bonus, so that if the EBITDA achieved by the Group does not reach the minimum percentage established on the budgeted EBITDA, the variable remuneration system would not be activated.

On the other hand, the accrual of an additional variable remuneration percentage is also included if the achieved EBITDA exceeds the target, up to a certain limit.

Regarding the measures adopted to avoid conflicts of interests, clause 31.e) of the Regulations of the Board of Directors, about the "Basic obligations derived from the duty of loyalty", obliges the directors to "Adopt the necessary measures to avoid incurring in situations in which their interests, whether on their own account or on someone else's account, may conflict with the corporate interest and with their duties towards the Company".

Article 32 of the Regulations of the Board of Directors, in relation with the "Duty to avoid situations of conflict of interest" establishes that:

- a) The duty to avoid situations of conflict of interests referred to in letter e) of the previous clause obliges the directors to refrain from:
  - Carrying out transactions with the Company, except in the case of ordinary operations, carried out under standard conditions for customers and of little relevance, understood as those whose information is not necessary to express the faithful image of the equity, the financial situation, and the results of the Company.
  - Using the name of the Company or invoke their status as Director to unduly influence the performance of private transactions.
  - Making use of corporate assets, including the confidential information of the Company, for private purposes.
  - Taking advantage of the Company's business opportunities.
  - Obtaining advantages or remunerations from third parties other than the Company and its Group associated with the performance of their position, except in the case of mere courtesy.
  - Carrying out activities for their own account or for someone else that involve effective competition, whether current or potential, with the Company or that, in any other way, place them in permanent conflict with the interests of the Company.
- b) The abovementioned provisions shall also apply in the event that the beneficiary of the prohibited acts or activities is a person related to the Director. For the purposes of the provisions of the previous section, related persons are understood to be the persons defined as such by current legislation.

- c) In any case, the Directors must notify the board of directors of any situation of conflict, direct or indirect, that they or persons related to them may have with the interest of the Company".

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

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

The remuneration accrued in fiscal year 2020, which complies with the Remuneration Policy for the directors in force, has been applied as follows:

**a) External directors:**

**1) Attendance fees (Board and Commissions of Deoleo, S.A.)**

- Individualized attendance fee at the Board of Directors: €3,500.
- Maximum annual fee for attending at the Board of Directors: €41,000.
- Individualized attendance fee at the Commissions (Chairman): €2,500.
- Individualized attendance fee at the Commissions (Vocal): €1,500.

In 2019, to adapt the remuneration of the directors in their condition as such to the circumstances that the company was going through, the Board of Directors used its faculty to modify the remuneration received. Thus, at the meeting held on March 25, 2019, the Board of Directors agreed to reduce the attendance fees unitarily by 50% up to the following amounts:

- Individualized attendance fee at the Board of Directors: €1,750.
- Maximum annual fee for attending at the Board of Directors: €41,000.
- Individualized attendance fee at the Commissions (Chairman): €1,250.
- Individualized attendance fee at the Commissions (Vocal): €750.

In FY 2020, considering the improvement in the Company's results, the favourable evolution of the debt restructuring process and the reduction in the number of directors, the Board of Directors held on February 27, 2020, prior favourable report from the Appointments and Remuneration Committee, agreed to recover the previous remuneration with immediate effect. Therefore, the 50% reduction has ceased to apply from that date.

In March 2019, considering the circumstances of the Group at that time, the representatives of the external directors Theatre Directorship Services Beta, S.à.r.l., Theatre Directorship Services Gama, S.à.r.l, and Theatre Directorship Services Delta, S.à.r.l, verbally expressed their intention to renounce to the attendance fees that would correspond them for attending both the meetings of the Board of Directors and its delegated Committees.

In response to the improvement in the situation and evolution of the Group, in February 2020 they expressed their intention to leave the decision taken in 2019 without effect, so from February 2020 they receive the corresponding accrued attendance fees.

## **2) Remuneration in other DEOLEO Group Companies**

As previously mentioned, in the context of the Refinancing process the Company subscribed the SHA.

The purpose of the SHA is to regulate the relations between the shareholders of Deoleo Holding, the relations between the shareholders of Deoleo Holding with the Deoleo Holding Subgroup, as well as to establish those companies' governance, management and functioning regimes, among other aspects.

The SHA includes certain aspects that concern the remuneration of the directors in their capacity as such of the Deoleo Holding Subgroup, mainly:

- The incorporation of a Remuneration Committee in Deoleo UK, which will be governed by the Terms of Reference approved by the Board of Directors of Deoleo UK.
- The sole shareholder or general shareholders' meeting of the Deoleo Holding, as the case may be, will approve the maximum remuneration to be received by the directors for the performance of their duties. In this regard, the sole shareholder of Deoleo Holding on November 12, 2020, set that the maximum remuneration of the Directors of Deoleo UK in €490,000 per annum.

This maximum amount shall be completely distributed among the Directors of Deoleo UK to complete the remuneration they are entitled to, in accordance with the provisions of the corresponding Letters of Appointment signed by each director with Deoleo UK.

- No more than two Related Party Directors may receive any remuneration from Deoleo Holding Subgroup.
- The approval of the resolutions related to the following listed matters shall be discussed and voted by the Board of Directors of Deoleo UK, and will require the favourable vote of at least two (2) directors of Deoleo UK appointed at the nomination of the lender entities:
  - Appointing or removing the chief executive officer.
  - Any increase in the maximum amount payable by Deoleo Holding or any Group Company to the beneficiaries of the Management Incentive Plan, as well as any other any amendment to the Management Incentive Plan.
  - Adopting or establishing, by any Group Company, any new bonus, profit-sharing, compensation, benefit plan, etc. for executive management or employees, or the amendment of the existing ones, in the Deoleo Holding Subgroup.

The remuneration of the directors of Deoleo UK established in the respective Letters of Appointment will be in force as long as the Board of Directors of Deoleo UK does not agree to their modification. Individual remuneration, which is the same for all directors, is summarized as follows:

- Annual fixed remuneration: 70,000 euros gross. The accrual is daily and is paid monthly.
- Includes any remuneration for attending commissions and boards of any company of the DEOLEO Group.
- The amount of the annual fixed remuneration is reviewed annually by the Board of Directors of Deoleo UK, which has no obligation to increase it.
- In the event of a temporary period of incapacity due to illness, disability or injury that prevents the director from providing his services, the accrual of the corresponding remuneration is a discretionary decision of the Board of Directors of Deoleo UK.
- Deoleo UK reimburses travel and subsistence expenses that are reasonably incurred in the exercise of their duties, subject to adequate documentary justification.

The current Remuneration Policy for the directors provides that those directors of DEOLEO who receive allowances for attending the meetings of the governing bodies of other subsidiaries or other remuneration thereof, will not receive allowances for their attendance at the Board of Directors' meetings of DEOLEO or of its Commissions.

As regards the remuneration of the directors of DEOLEO, as detailed in section C.1.b) below, there are 4 external directors of Deoleo, S.A. who, at the same time, are directors in the company Deoleo UK. In compliance with the provisions of the Remuneration Policy for the directors and in the SHA:

- Theatre Directorship Services Beta, S.à.r.l. only receives the fees corresponding to the attendance at the Board of Directors of DEOLEO, given that at Deoleo UK there are already two directors appointed by the CVC Funds that are remunerated in Deoleo UK.
- Theatre Directorship Services Gama, S.à.r.l., Mr. Fernando Valdés Bueno and Mr. Gianluca Bolla receive the fixed remuneration established in the Letters of Appointment as directors of Deoleo UK, without prejudice to the attendance fees that they had already accrued in DEOLEO before the entry into force of the SHA.
- Mr. Ignacio Silva does not receive any remuneration or allowances for the exercise of his respective positions as director in his capacity as such at Deoleo, S.A. nor in other companies of the Deoleo Holding Subgroup.

#### **b) Executive director:**

As a result of the Refinancing of the DEOLEO Group mentioned, all the members of the management team of DEOLEO, including the executive director, have come to carry out their functions in the Deoleo Holding Subgroup, specifically in the company Deoleo Global, S.A.U., applying equally the Remuneration Policy for the directors in force for the year.

The remuneration of the executive director is summarized in:

- Fixed remuneration: €475,000 as established in the Agreement formalized in April 2019.
- Annual variable remuneration: €391,875 corresponding to the scale of compliance with the variable objectives.
- Annual variable remuneration and its relation to results: In 2020 the Group has achieved an EBITDA higher than budgeted and the executive director has met all the individual objectives established, for which he has accrued 100% of the variable remuneration plus an additional amount for overcompliance with objectives.

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

	<b>Number</b>	<b>% of total</b>
<b>Votes cast</b>	291,909,725	58.38

	<b>Number</b>	<b>% of cast</b>
<b>Votes against</b>	988,591	0.34
<b>Votes in favour</b>	290,921,134	99.66
<b>Abstentions</b>	0	0

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

The Board of Directors, at its meeting on December 20, 2018, approved that the fixed remuneration of the directors in their capacity as such for the fiscal year and subsequent, unless expressly modified, would correspond to attendance fees for attending the meetings of the Board of Directors and its Commissions in the following amounts:

- Attendance fees for each meeting of the Board of Directors: €3,500 per session.
- Attendance fees for each meetings of the Committees of which are members: €1,500 per session, except for the Chairman of each of these bodies, who would receive €2,500 per session.

As already indicated in section B.3 above, the Board of Directors at the meeting held on March 25, 2019 made use of the power to modify the remuneration received by the directors in their capacity as such, and agreed to reduce the attendance fees unitarily by 50% up to the following amounts:

- Attendance fees for each meeting of the Board of Directors: €1,750 per session.
- Attendance fees for each meetings of the Committees of which are members: €750 per session, except for the Chairman of each of these bodies, who would receive €1,250 per session.

In fiscal year 2020, the Board of Directors held on February 27, 2020 agreed to recover the previous remuneration with immediate effect, so the 50% reduction ceased to apply from this date.

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

The annual fixed remuneration of the executive director amounts to the sum of €475,000 per year, corresponding to that established in the Agreement formalized in April 2019, with no variation with respect to the previous year.

**B.7** Explain the nature and the main characteristics of the variable components of the remuneration systems accrued in the year ended. – Identify each of the remuneration plans that determined the different types of variable remuneration accrued by each of the directors in the year last ended, including information on their scope, date of approval, date of implementation, any vesting conditions that apply, periods of accrual and validity, criteria used to evaluate performance and how this affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be able to adequately measure all the conditions and criteria stipulated, explaining the criteria and factors applied in regard to the time required and the methods of verifying that the performance or any other kind of conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

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

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

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

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

The criteria for accruing the annual variable remuneration of the executive director corresponding to FY 2020 were approved by the Board of Directors held on April 17, 2020, and the settlement of the annual variable remuneration according to the degree of compliance with the objectives established for the year ended has been approved by the Board of Directors held on February 27, 2021, in both cases after a favourable proposal from the Appointments and Remuneration Committee.

The criteria used for the evaluation of performance are divided into two blocks:

- Budgeted EBITDA vs. EBITDA achieved. This objective represents a higher percentage in the calculation of the variable remuneration than the following individual objectives.
- Individual objectives linked to various operational and strategic aspects of the business. Each of these objectives has a different weight in the accrual of the variable remuneration.

Notwithstanding the foregoing, and if the level of achievement of the objectives is exceeded, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, has contemplated that the annual variable remuneration of the executive director exceeds 50 per 100 of the fixed remuneration. Thus, the amount of variable remuneration for the executive director has been calculated at 82.5% of the fixed remuneration, given that the level of achievement of the objectives has exceeded the 100%.

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

In the context of the Refinancing process ended on June 24, 2020, as already indicated in previous captions, it has been agreed the implementation of the Management Incentive Plan for the members of the executive team of the Deoleo Holding Subgroup, including Mr. Ignacio Silva Alcalde.

Under the Management Incentive Plan, the beneficiaries (or their successors, as warranted) are entitled to receive an extraordinary cash bonus to be determined as a function of the increase in the value of Deoleo Holding whenever a potential Sale takes place, so long as the amount paid for Deoleo Holding, by a third party in any such process (the "Sale Price") is higher than the result of dividing the effective size of the rights issued in the capital increase of DEOLEO agreed on May 21, 2020 by 51% (the "Initial Equity Value"). The rights issue in the capital increase amounted to 50,000,000.40 euros, such that the Initial Equity Value amounts to 98,039,216.47 euros.

The remuneration due under the Management Incentive Plan is payable in cash and is conditional upon the beneficiaries remaining in active employment or service with the Deoleo Holding Group on the date on which the potential Sale closes (except in the special termination events stipulated in the Management Incentive Plan, in which case it would be calculated in accordance with a specific formula).

The remuneration payable to the universe of beneficiaries will be calculated as follows:

	Maximum remuneration
If the Sale Price is $\leq$ 98,039,216.47 euros	0
If 98,039,216.47 euros $<$ Sale Price $\leq$ 105,418,512.33 euros	The Sale Price less 98,039,216.47 euros
If the Sale Price is $>$ 105,418,512.33 euros	7% of the Sale Price

The incentive would be payable to the beneficiaries in the proportion corresponding to each and would be paid by Deoleo Holding, which is the Group company assuming this commitment.

Participation by the beneficiaries in the Management Incentive Plan is voluntary. The Plan will terminate when the Sale closes or, 10 years from the Plan start date if no Sale has taken place.

In the event of significant internal or external changes related to the fulfillment of the objectives of the Management Incentive Plan that make it necessary to review and adapt them, the Board of Directors of Deoleo UK may, subject to approval by the shareholders, modify the terms of the Management Incentive Plan. For this purpose, among the different assumptions that may give rise to a modification of the Management Incentive Plan, there is any corporate restructuring operation by purchase, sale, merger, spin-off, exchange of shares, increase or reduction of capital, or reorganization of any kind, which involves a substantial alteration in the size, activity or type of business of the Deoleo Holding Subgroup.

DEOLEO has concluded that as of December 31, 2020, the employee expense to be accrued cannot be determined. The information available is deemed insufficient to determine the fair value of this commitment as the probability of a Sale and its possible date cannot be determined. In this sense, the option has been to carry the related contingent liability at zero, which will be reviewed on future reporting dates in light of the trends in the different variables that affect its valuation.

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

None in fiscal year 2020.

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

There are no long-term savings systems in favour of the directors.

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

DEOLEO has neither agreed nor paid any compensation in the event of the termination of the directors in their capacity as such in fiscal year 2020.

DEOLEO has not paid any amount as compensation or termination of the agreement of the executive directors.

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

During the fiscal year 2020 there were no modifications to the executive director agreement formalized in April 2019.

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

During the fiscal year 2020, no supplementary remuneration has been accrued in favour of the directors as consideration for the services provided other than those inherent to their position.

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

There has been no other remuneration to the directors in the year 2020 in the form of credits or guarantees granted, nor obligations assumed on their behalf by way of guarantee.

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

In FY 2020, the executive director has accrued 23 thousand euros as remuneration in kind, corresponding to private medical insurance with additional coverage for spouse and children, company vehicle, and other common social benefits to the employees of Deoleo Global, S.A.U.

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

None in fiscal year 2020.

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

There are no other remuneration items in fiscal year 2020 other than those explained in this Report.

## C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Period of accrual year t
D. Ignacio Silva	Executive	01/01/2020 - 31/12/2020
D. Fernando Valdés Bueno	External	01/01/2020 - 31/12/2020
D. Javier López García-Asenjo	Independent	01/01/2020 - 31/12/2020
Theatre Directorship Services Delta, S.à.r.l.	External	01/01/2020 - 29/10/2020
D. Pedro Barato Triguero	External	01/01/2020 - 29/10/2020
Theatre Directorship Services Gama, S.à.r.l.	External	01/01/2020 - 31/12/2020
Theatre Directorship Services Beta, S.à.r.l.	External	01/01/2020 - 31/12/2020
D. Gianluca Bolla	Independent	01/01/2020 - 31/12/2020

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

a) Remuneration from the reporting company:

i) Remuneration in cash (thousand euros)

Name	Fixed remuneration		Remuneration of Board		Short-term variable remuneration	Long-term variable remuneration	Severance	Other Concepts	Total year 2020	Total year 2019
	remuneration	Allowances	Committees	Salary						
D. Ignacio Silva Alcalde	0	0	0	0	0	0	0	0	0	635
D. Fernando Valdés Bueno	0	23	0	0	0	0	0	0	23	26
D. Javier López García-Asenjo	0	30	21	0	0	0	0	0	51	49
Theatre Directorship Services Delta, S.à.r.l.	0	4	0	0	0	0	0	0	4	13
D. Pedro Barato Triguero	0	26	7	0	0	0	0	0	33	37
Theatre Directorship Services Gama, S.à.r.l.	0	14	7	0	0	0	0	0	21	7
Theatre Directorship Services Beta, S.à.r.l.	0	10	0	0	0	0	0	0	10	7
D. Gianluca Bolla	0	23	15	0	0	0	0	0	38	47
	0	130	50	0	0	0	0	0	180	821

### Remarks

- As a result of the Refinancing of the Group carried out in FY 2020, the remuneration of the executive director in 2020 is accrued in the company Deoleo Global, S.A.U., although the remunerated functions refer to his status as executive director of the DEOLEO Group. In 2019, the remuneration for the exercise of these same functions was accrued in the company Deoleo, S.A.
- The Company Directors have been represented in FY 2020 by the following persons:
  - Theatre Directorship Services Beta, S.à.r.l. by D. Javier de Jaime Guijarro.
  - Theatre Directorship Services Gama, S.à.r.l. by D. Juan Arbide Estensoro.
  - Theatre Directorship Services Delta, S.à.r.l. by D. Pablo Costi. Ruiz.

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

Not applicable.

iii) Long-term saving systems

Not applicable.

iv) Details of other items

Not applicable.

b) Remuneration of the company directors belonging to the boards of other group companies:

i) Remuneration in cash (thousand euros)

Name	Fixed remuneration	Allowances	Remuneration of Board Committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance	Other Concepts	Total year 2020	Total year 2019
D. Ignacio Silva Alcalde	0	0	0	475	392	0	0	23	890	0
D. Fernando Valdés Bueno	34	0	0	0	0	0	0	0	34	0
Theatre Directorship Services Gama, S.à.r.l.	36	0	0	0	0	0	0	0	36	0
Theatre Directorship Services Beta, S.à.r.l.	0	0	0	0	0	0	0	0	0	0
D. Gianluca Bolla	33	0	0	0	0	0	0	0	33	0
	103	0	0	475	392	0	0	23	993	0

Remarks

- As a result of the Refinancing of the Group carried out in FY 2020, the remuneration of the executive director in 2020 is accrued in the company Deoleo Global, S.A.U., although the remunerated functions refer to his status as executive director of the DEOLEO Group. In 2019, the remuneration for the exercise of these same functions was accrued in the company Deoleo, S.A.
- The fixed remunerations of the external directors have accrued in the company Deoleo UK Limited.

ii) Chart of movements of the remuneration systems based on shares and gross profit of the shares or consolidated financial instruments

Not applicable.

iii) Long-term savings systems

Not applicable.

iv) Details of other concepts

Name	Item	Amount remunerated
Mr. IGNACIO SILVA ALCALDE	Company vehicle, health insurance and other social benefits	23

c) Summary of remunerations (thousand €):

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

NOMBRE	Remuneration accrued in the Company					Remuneration accrued in Group companies					Total year 2020 Company & Group
	Total cash remuneration	Gross profit of consolidated shares or financial instruments	Savings systems	Other concepts	Total year 2020 in the Company	Total cash remuneration	consolidated shares or financial instruments	Savings systems	Other concepts	Total year 2020 in the Group	
D. Ignacio Silva Alcalde	0	0	0	0	0	867	0	0	23	890	890
D. Fernando Valdés Bueno	23	0	0	0	23	34	0	0	0	34	57
D. Javier López García-Asenjo	51	0	0	0	51	0	0	0	0	0	51
Theatre Directorship Services Delta, S.à.r.l.	4	0	0	0	4	0	0	0	0	0	4
D. Pedro Barato Triguero	33	0	0	0	33	0	0	0	0	0	33
Theatre Directorship Services Gama, S.à.r.l.	21	0	0	0	21	36	0	0	0	36	57
Theatre Directorship Services Beta, S.à.r.l.	10	0	0	0	10	0	0	0	0	0	10
D. Gianluca Bolla	38	0	0	0	38	33	0	0	0	33	71
Total	180	0	0	0	180	970	0	0	23	993	1.173

## D. OTHER INFORMATION OF INTEREST

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

Deoleo UK, Ltd. has 8 external directors. Of these, 4 directors also hold this status at Deoleo, S.A., their remuneration being reported in section C.1.b.i).

The joint remuneration of the remaining other 4 directors that are not directors at Deoleo, S.A. has amounted to 145 thousand euros, with the remuneration conditions explained in section B.3 being applicable.

This annual remuneration report has been approved by the Board of Directors of the Deoleo, S.A., in its session dated March 23, 2021.

Indicate whether there have been directors who have voted against or abstained in relation to the approval of this report.

State whether any director has voted against of abstained from approving this report

Yes

No

Name or company of the member of the Board of Directors who has not voted for the approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons