
ISSUER'S PARTICULARS

End date of reference financial year: 31/12/2021

Employer Identification Number (CIF): A48012009

Company name:

DEOLEO, S.A.

Registered office:

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

A. THE COMPANY'S REMUNERATION POLICY FOR THE CURRENT YEAR

- A.1.1** Explain the directors' remuneration policy in force applicable to the current year. If relevant, certain information may be included by reference to the remuneration policy approved by the shareholders at the Annual General Meeting, provided that the information included is clear, specific and precise.

A description should be provided of the specific decisions for the current year —in relation to the remuneration of directors both in their capacity as such and for the discharge of executive functions— made by the Board in accordance with the provisions of the contracts entered into with the executive directors and with the remuneration policy approved by the shareholders at the Annual General Meeting.

In any case, the matters to be reported must include at least the following:

- a) A description of the procedures applied by the company and its bodies involved in determining, approving and implementing the remuneration policy and the conditions thereof.
- b) An indication and, where applicable, an explanation of whether any comparable companies were taken into account to establish the company's remuneration policy.
- c) Information as to whether any external adviser was involved and, if so, their identity.
- d) Procedures envisaged in the directors' remuneration policy in force for the application of temporary exceptions to the policy, the circumstances in which these exceptions can be implemented, and the remuneration components to which exceptions can be applied in accordance with the policy.

The Annual General Meeting of DEOLEO ("the Annual General Meeting") held on 3 June 2019 approved the remuneration policy for the directors of DEOLEO, S.A. ("DEOLEO" or "the Company" and, together with all its subsidiaries, "the DEOLEO Group" or "the Group") which is effective for 2019, 2020 and 2021 ("the Remuneration Policy"). Prior to this decision and following weeks of work, on 25 April 2019 the Nomination and Remuneration Committee of DEOLEO, in compliance with Article 529 novodecies of the Spanish Limited Liability Companies Law, approved its report to the Board of Directors on the aforementioned Remuneration Policy for the directors of DEOLEO. On that same date the Board of Directors of DEOLEO ("the Board of Directors") resolved to submit the proposal for approval by the Annual General Meeting.

The Remuneration Policy for the directors of DEOLEO is based on the provisions of (i) the legislation applicable to limited liability companies; (ii) the Company's Bylaws and Board Regulations; and (iii) the resolutions adopted by the General Meeting. In addition, it takes into account the recommendations regarding good corporate governance and best market practices.

The general principles and foundations of the directors' remuneration policy are as follows:

- Transparency: The reporting of the directors' remuneration is transparent.
- Prudence: The directors' remuneration is reasonably commensurate with the Company's importance, its economic situation and the market standards of comparable companies.
- Connection with performance: The directors' remuneration policy is compatible and aligned with the business strategy, values and long-term interests of the Company and its shareholders, and is geared towards promoting the long-term profitability and sustainability of the DEOLEO Group.
- Balance: In the case of the executive directors, the remuneration structure displays a balanced and efficient relationship between the fixed and variable components, and the variable remuneration is conditional upon the achievement of specific quantifiable targets that are directly related to shareholders' interests.

Article 26 of the Bylaws and article 35 of the Board Regulations establish that the position of director is remunerated and make a distinction between the remuneration of directors in their capacity as such and the remuneration of directors who discharge executive functions ("the executive directors").

- a) Characteristics of the Remuneration Policy: directors acting in their capacity as such

As a result of the application of the above-mentioned principles, the remuneration of directors acting in their capacity as such has the following features:

- It is aligned with corporate governance standards and market circumstances, taking into consideration the characteristics of the Company and its business activity.
- The remuneration is awarded on the basis of the positions held and the responsibility assumed on the Board and in its delegated bodies. In this regard, the amount of the attendance fees depends on the position held and the responsibility assumed by each director, in such a way that the attendance fees are higher in the case of the Chairs of the Board's Executive Committees.
- It is reasonable as a means of rewarding the dedication, capabilities, duties and responsibilities required in order to discharge the functions of the position, and it does not represent an impediment to the directors' independence or affect their objectivity in safeguarding the long-term interests of all the shareholders.
- Lastly, following the recommendations of the Code of Good Governance for listed companies, there are no variable remuneration schemes in place for directors acting in their capacity as such.

b) Characteristics of the Remuneration Policy: executive directors

The features of the remuneration system for executive directors are as follows:

- The remuneration is awarded for the performance of executive functions.
- There is a balanced and efficient relationship between the fixed and variable components.
- The variable components of the executive directors' remuneration are linked to performance and to the achievement of specific quantifiable targets that are aligned with the shareholders' interests, as well as to the creation of value for DEOLEO.
- The remuneration system is compatible with the business strategy, values and long-term interests of DEOLEO and is geared towards promoting the long-term profitability and sustainability of the Company.
- It takes market trends into consideration and its stance vis-à-vis the market is based on the Group's strategic approach, and it has proved to be effective in attracting and retaining the best professionals.

The Remuneration Policy is geared towards creating value for the Company, and seeks to remain aligned with shareholders' interests and fully compliant with current legislation governing the remuneration of directors of listed companies.

For the purpose of preparing and approving the Directors' Remuneration Policy, in 2017, the year in which it was defined, the Company engaged the external advisory services of J&A Garrigues, S.L.P.

As regards the process involved in updating the Directors' Remuneration Policy applicable for 2019, 2020 and 2021, the Nomination and Remuneration Committee submitted the various proposals to the Board of Directors at the meeting held on 14 September 2020.

The Board of Directors Meeting held on that same date approved the proposed Directors' Remuneration Policy in the terms communicated by the Nomination and Remuneration Committee.

(Continued in section D).

A.1.2 Materiality of the variable remuneration items with respect to the fixed items (remuneration mix) and the criteria and objectives considered in order to determine them and ensure an adequate balance between the fixed and variable remuneration components. In particular, describe the actions taken by the company in relation to the remuneration system in order to reduce exposure to excessive risks and to adjust the system to the company's long-term objectives, values and interests; this shall include, as the case may be, a reference to the measures envisaged to ensure that the remuneration policy takes into account the company's long-term performance, the measures adopted in relation to the categories of personnel whose professional activities have a material impact on the entity's risk profile, and the measures envisaged to avoid conflicts of interest.

In addition, indicate whether the company has established an accrual or vesting period for certain variable remuneration items, whether they be in cash, shares or other financial instruments, a deferral period for the payment of amounts or the delivery of financial instruments already accrued or vested, or whether agreement has been reached regarding any clauses to reduce non-vested deferred

remuneration or which oblige the director to return remuneration received, whenever such remuneration was based on information manifestly proved to be inaccurate after it was initially paid.

As established in the Directors' Remuneration Policy, the only member of the Board of Directors who has a variable remuneration scheme is the executive director.

The variable components of the executive director's remuneration are as follows:

a) Short-term variable remuneration:

The purpose of this component is to adapt the executive director's remuneration to the remuneration practices most habitually used in the market, and its payment is linked to the achievement of strategic and quantitative objectives.

The annual variable remuneration of executive directors is determined on the basis of the achievement of certain targets set by the Board of Directors at the proposal of the Nomination and Remuneration Committee. Quantitative indicators are established which, budgeted and reported annually, may be linked to, inter alia, the Company's strategic objectives, its business performance and the increase in value for shareholders (e.g., in terms of EBITDA, net debt, etc.).

The Board of Directors, at the proposal of the Nomination and Remuneration Committee, shall establish for each year the quantitative targets of the variable remuneration system, the aim being to align them with the Company's interests and those of its shareholders.

The amount of the executive directors' variable remuneration is determined as a certain percentage of the fixed remuneration which may range from (a) 0 percent (where the overall degree of target achievement does not exceed the minimum threshold) to (b) 50 percent of the fixed remuneration (where the overall level of target achievement is 100 percent). Without prejudice to the foregoing, in the event that the aforementioned level of achievement of the targets is surpassed, the Board of Directors, at the proposal of the Nomination and Remuneration Committee, may agree to raise the annual variable remuneration of the executive directors to above 50 percent of the fixed remuneration.

Taking all the above into account, once the year has ended, the Board of Directors, at the proposal of the Nomination and Remuneration Committee, shall determine the annual variable remuneration accrued in the year on the basis of the degree to which the targets have been achieved.

b) Medium and long-term variable remuneration:

The purpose of this component is both to encourage the executive directors to remain in the Company's employ and to bolster the commitment to the Company's shareholders in the medium and long term.

As established in Article 26 of the Bylaws, the executive directors can participate in such incentive schemes as may be established in general for the Company's senior executives, which may include the award of shares or share options or any remuneration system tied to the value of the share, subject to a resolution of the General Meeting which must contain the legally required references in this regard.

These medium and long-term variable remuneration systems may be tied to, among other objectives, the value of the Company's shares, the achievement of such strategic objectives as might be defined, or the executive director remaining at the Company for a specified period of time.

The inclusion of the executive directors in remuneration systems of this kind shall be conditional, where the remuneration comprises the award of shares or is tied to the value of the shares, upon the corresponding requisite approval of the General Meeting, as provided for in Article 219 of the Spanish Limited Liability Companies Law.

The remuneration policy in force does not envisage any incentive recovery clauses entailing the obligation to return any variable remuneration that has already been paid.

A.1.3 Amount and nature of the fixed components expected to be earned by the directors in the year in their capacity as such.

Pursuant to Article 26 of the Bylaws of Deoleo, S.A., the remuneration earned by the directors for merely discharging their duties as members of the Board of Directors shall consist of (i) a fixed annual emolument and (ii) fees for attending each meeting of the Board of Directors and of its Committees.

Notwithstanding the foregoing, the remuneration of the directors in their capacity as such is expected to comprise only the fees for attending the meetings of the Board of Directors and of its Committees, the amount of which is to be determined by the Board and shall in no circumstances exceed the following amounts:

- Attendance fees for each meeting of the Board of Directors: EUR 3,500 per meeting, with a limit of EUR 41,000 per year, except for the Chair of the Board, who, if they do not have the status of an executive director, shall receive twice the amount received per meeting by the directors in their capacity as such, and the aforementioned EUR 41,000 limit for those directors shall not apply.
- Attendance fees for each of the meetings of the Committees of which the directors form part at any given time: EUR 1,500 per meeting, except for the Chair of each committee, who shall receive EUR 2,500 per meeting.

As a result of the debt refinancing and corporate reorganisation process undertaken by the Group and executed on 24 June 2020, there are certain directors of Deoleo, S.A. in their capacity as such who, in turn, are also directors of the Group company Deoleo UK Ltd.

In this connection, the Directors' Remuneration Policy establishes that any directors of DEOLEO who receive fees for attending the meetings of the governing bodies of other subsidiaries or other remuneration from those subsidiaries shall not receive any fees for attending the meetings of the Board of Directors of Deoleo, S.A. or those of its Committees.

In any case, the total remuneration of the directors in their capacity as such may not exceed, until such time as an amendment is approved by the General Meeting, the maximum remuneration of EUR 750,000 per annum established by the shareholders at the General Meeting held on 28 May 2015, at the proposal of the Board of Directors (following a favourable report by the Nomination and Remuneration Committee), in accordance with Article 217.3 of the Spanish Limited Liability Companies Law. The Directors' Remuneration Policy approved by the shareholders at the General Meeting held on 3 June 2019 also envisaged this same maximum limit.

If new members join the Board of Directors during the term of the Remuneration Policy, this same remuneration system shall apply to them.

Pursuant to the resolution adopted by the Board of Directors on 25 March 2019, which is in keeping with that adopted by the Board on 20 December 2017, in the event that the meetings of the Board of Directors or of its Committees are called to be held by telephone or electronic means, the directors shall receive the fees envisaged in the preceding sections, unless exceptional circumstances duly observed by the Nomination and Remuneration Committee arise.

Furthermore, the Company reimburses the directors for reasonable expenses incurred in relation to the attendance of meetings (i.e., travel, accommodation and sustenance costs) both of the Board of Directors and of its Committees.

In accordance with Article 26 of the Bylaws, the Company may take out third-party liability insurance for any director or former director of the Company or of any related company on habitual terms that are reasonable taking into account the Company's circumstances.

In the course of the year in progress DEOLEO will pay the premium relating to the third-party liability insurance for its directors in their capacity as such on the terms described in the aforementioned article of the Bylaws.

A.1.4 Amount and nature of the fixed components that will be earned in the year for the performance of senior executive functions by the executive directors.

The basic remuneration of the executive director is fixed in nature, is received monthly, and is determined on the basis of the level of responsibility within the Company and the director's position, ensuring that it is competitive with respect to other entities comparable to DEOLEO.

Per the Directors' Remuneration Policy, the fixed remuneration of the executive director stands at EUR 475,000.

This remuneration shall remain fixed for the term of Directors' Remuneration Policy currently in force, unless the Board of Directors, following a proposal of the Nomination and Remuneration Committee, should resolve to update it based on the specific responsibilities and characteristics of the functions performed and the corresponding market analyses of the fixed remuneration for equivalent executive positions at comparable companies.

For 2021, the annual fixed remuneration of the executive director was adjusted by 0.7% to EUR 478,325, effective from 1 April 2021, and was approved by the Board of Directors at the proposal of the Nomination and Remuneration Committee; this figure relates to the gross annual salary and was distributed in 12 monthly payments of an equal amount.

This remuneration is taken to relate to the full 12-month period and, therefore, if the executive director were to leave office on a date other than the beginning or end of the year, they would receive the amounts effectively accrued, in proportion to the time worked in the year in question.

Although the Bylaws establish that the remuneration received by the directors in their capacity as such is compatible with and independent of the remuneration the directors may receive for discharging executive duties, the executive directors do not receive any remuneration or attendance fees for performing their respective functions as directors in their capacity as such at Deoleo, S.A. or at other Group companies.

A.1.5 Amount and nature of any item of remuneration in kind that will be earned in the year, including, but not limited to, insurance premiums paid for directors.

In 2021 DEOLEO paid the premium relating to the third-party liability insurance for the executive director on the terms described in Article 26 of the Bylaws.

DEOLEO also paid the premium for the private medical insurance of the executive director, including additional coverage for spouse and children, and provided the executive director with a company car and other welfare benefits common to the employees of Deoleo Global, S.A.U.

A.1.6 Amount and nature of the variable components, differentiating between short-term and long-term items. Financial and non-financial parameters, including in the latter case the social, environmental and climate change-related parameters, selected to determine the variable remuneration in the current year; an explanation of to what extent such parameters relate to performance, both of the

director and of the entity, and to the related risk profile; and the methodology and timeframe required, as well as the techniques envisaged, to be able to determine at year-end the effective degree of achievement of the parameters used in designing the variable remuneration, explaining the criteria and factors applied in terms of the time required and the methods used to check that the performance or any other conditions to which the accrual and vesting of each variable remuneration component were linked have been effectively met.

Indicate the monetary range of the various variable components based on the level of achievement of the established objectives and parameters, and whether there is any maximum monetary amount in absolute terms.

The variable components of the executive director's remuneration are as follows:

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

The Annual Variable Remuneration of the executive director is determined on the basis of the achievement of certain targets established by the Board of Directors at the proposal of the Nomination and Remuneration Committee.

The Annual Variable Remuneration system includes quantitative indicators, determined and reported on an annual basis, which may be linked to, *inter alia*, the Company's strategic objectives, its business performance and the increase in value for shareholders.

For the purpose of calculating the Annual Variable Remuneration for the current year, the targets will be associated with the achievement of the following main parameters:

- i) EBITDA.
- ii) Cash flow.
- iii) Individual targets relating to various operating and strategic matters.

The amount of the executive director's Annual Variable Remuneration is calculated as a certain percentage of the fixed remuneration, which would be 50 percent of the fixed remuneration if the overall level of target achievement were 100 percent.

Without prejudice to the foregoing, in the event that the level of achievement of the targets is surpassed, the Board of Directors, at the proposal of the Nomination and Remuneration Committee, may agree to raise the annual variable remuneration of the executive director to above 50 percent of the fixed remuneration.

Once the current year has ended, the Board of Directors, following a review of the degree of achievement of the targets by the Nomination and Remuneration Committee and at the proposal of the latter, shall approve the corresponding amount of accrued annual variable remuneration.

- b) Long-term incentive plan

As part of the Refinancing process, DEOLEO, Deoleo Holding ("Deoleo Holding"), Deoleo UK, Ltd. ("Deoleo UK") and the creditor banks entered into a shareholders agreement ("the Shareholders Agreement") on 24 June 2020.

One of the points included in the Shareholders Agreement was the establishment of an extraordinary long-term remuneration scheme ("Long-Term Incentive Plan") for the members of the management team of Deoleo Holding and its subsidiaries ("the Deoleo Holding Subgroup"), including the executive director, in order to (i) reward their efforts in achieving the main strategic objectives of the Deoleo Holding Subgroup defined in the long-term business plan; (ii) offer them a competitive level of remuneration tied to the Deoleo Holding Subgroup's strategy to retain the employees who perform the most significant functions; and (iii) thus align their interests with those of the shareholders and stakeholders of the Deoleo Holding Subgroup.

This Long-Term Incentive Plan was analysed by DEOLEO's Nomination and Remuneration Committee at its meeting on 7 May 2020, and it submitted a favourable report to the Board of Directors Meeting held on that same date.

On 24 June 2020, the sole shareholder of Deoleo Holding approved the Long-Term Incentive Plan, and the Board of Directors Meeting of Deoleo UK held on 7 July 2020 approved the implementation of this Incentive Plan.

Under the Long-Term Incentive Plan, the beneficiaries will have the possibility of receiving, on an extraordinary basis, an amount of cash remuneration to be determined on the basis of the increase in the value of Deoleo Holding when a potential sale process is completed, and provided that the conditions established therein are met. Section B.7 of this document includes additional information on this remuneration scheme.

Any increase in the total maximum amount that Deoleo Holding or any Group company would have to pay to the beneficiaries of the Long-Term Incentive

Plan, and any other amendments to the terms and conditions thereof, are matters reserved for approval by the Board of Directors of Deoleo UK.

At 2021 year-end, as was the case in the previous year, DEOLEO considered that the staff costs to be incurred could not be determined and, accordingly, no amount corresponding to the Long-Term Incentive Plan was recognised, although this situation will be reviewed at subsequent reporting dates on the basis of the evolution of the different variables with an effect on the valuation.

A.1.7 Main characteristics of the long-term savings schemes. Among other information, indicate the contingencies covered by the scheme, whether it is a defined contribution or defined benefit scheme, the annual contribution to be made to the defined contribution schemes, the benefit to which the beneficiaries are entitled in the case of defined benefit schemes, the vesting conditions of the economic rights of the directors and their compatibility with any type of payment or indemnity for early termination or dismissal, or resulting from termination of the contractual relationship between the company and the director under the envisaged terms and conditions.

It should be indicated whether the accrual or vesting of any of the long-term savings plans is linked to the achievement of certain objectives or parameters related to the short-term and long-term performance of the director in question.

DEOLEO does not have any long-term savings scheme in place for the executive directors, in spite of the matters established in Article 26 of the Bylaws.

However, in accordance with Article 26 of the Bylaws, the executive directors, based on the functions attributed to them, may be entitled to participate in the appropriate employee benefit and insurance schemes.

A.1.8 Any type of payment or indemnity for early termination or dismissal, or arising from termination of the contractual relationship between the company and the director under the envisaged terms and conditions, whether the relationship be terminated by the company or by the director, and any type of agreements entered into, such as exclusivity, post-contractual non-compete and minimum-stay or loyalty agreements, that grant the director the right to receive consideration of any kind.

DEOLEO does not have any agreement in place regarding termination benefits for directors in their capacity as such. For information concerning the executive director, see the following section.

A.1.9 Indicate the conditions that must be respected in the contracts of those exercising senior management functions as executive directors. Information must be provided on, among other conditions, the duration, the limits on the amounts of termination benefits, the minimum-stay clauses, the notice periods, as well as the payment as a replacement for the aforementioned notice period, and any other clauses relating to hiring bonuses, as well as indemnities or golden parachutes for early termination or termination of the contractual relationship between the company and the executive director. Include, among other matters, the non-compete, exclusivity, minimum-stay or loyalty and post-contractual non-compete clauses or agreements, unless they have been explained in the preceding section.

Following is a description of the essential terms and conditions of the executive director's contract, which was formalised in April 2019:

- Duration is indefinite.
- Termination benefits: maximum of 18 months' gross fixed remuneration to be received in cash, depending on the date on which the termination takes place.
- Exclusivity: The executive director is obliged to carry out his work with full dedication and in an exclusive manner, except where he has written authorisation to act otherwise.
- Post-contractual non-compete clause is one year from termination of the Contract.

- A.1.10** The nature and estimated amount of any other supplementary remuneration to be earned by the directors in the current year as consideration for services rendered other than those inherent to their position.

No other supplementary remuneration is expected to be earned by the directors as consideration for services rendered other than those inherent to their position in the current year.

- A.1.11** Other remuneration items such as any arising from the company granting advances, loans, guarantees and other remuneration to the directors.

The Directors' Remuneration Policy does not provide for any other remuneration for the directors in the form of loans or guarantees granted or guarantee obligations assumed on their behalf.

- A.1.12** The nature and estimated amount of any other envisaged supplementary remuneration not included in the sections above, whether settled by the entity or another group entity, that will be earned by the directors in the current year.

No other supplementary remuneration not included in the sections above is expected to be paid by Deoleo, S.A. or other companies in its group in the current year.

- A.2.** Explain any significant change in the remuneration policy in force in the current year arising from:

- a) A new policy or a modification to the policy already approved by the General Meeting.
- b) Significant changes in the specific decisions established by the Board for the current year in relation to the remuneration policy in force, with respect to those applied in the previous year.
- c) Such proposals as the Board of Directors may have agreed to present to the General Meeting to which this annual report will be submitted and which are proposed to be applied in the current year.

There were no significant changes in the Remuneration Policy. The Policy currently in force continues to be that approved by the General Meeting on 3 June 2019 and subsequently updated on 29 October 2020.

- A.3.** Identify the direct link to the document that contains the company's current remuneration policy, which should be available on the company's website.

<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.** Taking into consideration the information provided in section B.4, explain the manner in which the shareholders' votes were taken into account at the General Meeting at which the annual remuneration report for the previous year was submitted for an advisory vote.

At the General Meeting of Deoleo, S.A. held on 29 October 2020, the Annual Directors' Remuneration Report for the previous year was approved with affirmative votes representing 98.81% of the shares.

B. GLOBAL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED IN THE LAST FINANCIAL YEAR

- B.1.1** Explain the process by which the remuneration policy was applied and the individual remuneration reflected in Section C of this report was determined. This information will include the role of the remuneration committee, the decisions made by the Board of Directors and, where appropriate, the identity and role of the external advisers whose services were used in the process of applying the

remuneration policy in the last financial year.

As mentioned in section A.2 above, the Directors' Remuneration Policy applicable for 2019, 2020 and 2021 was approved by the General Meeting held on 3 June 2019, and was amended at the General Meeting held on 29 October 2020 in the terms reported by the Board of Directors.

The Nomination and Remuneration Committee performed the function of supervising the Directors' Remuneration Policy, ensuring that it was applied in the terms approved by the managing body and described above.

The Directors' Remuneration Policy in force in the last financial year was essentially the same as the previous Remuneration Policy, which was defined in 2017. For the purpose of preparing and approving the previous Directors' Remuneration Policy, the Company engaged, at the time of defining the policy, the external advisory services of J&A Garrigues, S.L.P.

Given that there were no substantial changes in the Directors' Remuneration Policy in force, approved by the General Meeting on 29 October 2020, with respect to the policy approved by the General Meeting on 5 June 2017, the Nomination and Remuneration Committee did not consider it necessary to engage any external advisory services in addition to those received in the past.

Explain any departure in the year from the procedure established for the application of the remuneration policy.

There were no departures from procedure in the year in the application of the Remuneration Policy currently in force and described above.

B.1.2 Explain any departure in the year from the procedure established for the application of the remuneration policy.

There were no departures from procedure in the year in the application of the Remuneration Policy currently in force and described above.

B.1.3 Indicate whether any temporary exception to the remuneration policy was applied and, if such an exception was applied, explain the exceptional circumstances that prompted the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity considered those exceptions to be necessary in order to serve the long-term interests and foster the sustainability of the company as a whole or to ensure its viability. In addition, quantify the impact that application of these exceptions had on the remuneration of each director in the year.

There were no temporary exceptions in the year in the application of the Remuneration Policy currently in force and described above.

B.2. Explain the various actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks and to adjusting the system to the company's long-term objectives, values and interests, including a reference to the measures adopted to ensure that the remuneration earned has taken account of the company's long-term performance and strikes an appropriate balance between fixed and variable remuneration components, the measures adopted in relation to the categories of personnel whose professional activities have a material impact on the entity's risk profile, and the measures adopted in order to avoid any conflicts of interest.

Each year the Board of Directors, following a report from the Nomination and Remuneration Committee, determines the degree to which the targets established for the executive directors have been achieved. This Committee is charged with the supervision and ongoing review of the directors' remuneration policy.

The variable remuneration system is linked to the achievement of targets that are budgeted and reported on an annual basis. These targets are basically aligned with EBITDA and cash flow generation levels, as well as with other individual parameters linked to the Group's strategic objectives and which constitute key indicators of business performance and of the increase in value for shareholders.

The Nomination and Remuneration Committee evaluates and reports on the system and criteria for setting targets for the senior executives and other employees, the amendments to the contractual terms and conditions of the Group's executives, and the proposed variable remuneration of senior executives, all of which are subsequently approved by the Board of Directors.

In this regard, the Board of Directors Meeting held on 23 February 2021, at the proposal of the Nomination and Remuneration Committee, approved the proposed criteria for the accrual of the variable remuneration of the Group's executive director and senior executives for 2021. Furthermore, the Board of Directors Meeting held on 23 March 2021, at the proposal of the Nomination and Remuneration Committee, approved the proposed criteria for the accrual of the executive director's annual variable remuneration linked to individual targets for 2021.

The Board of Directors Meeting held on 22 February 2022, at the proposal of the Nomination and Remuneration Committee, approved the proposed settlement of the variable remuneration of the Group's executive director and senior executives for 2021, based on the degree to which the established targets had been

achieved.

The targets to be applied for the accrual of the employees' bonus are geared towards encouraging the achievement of individual and business-related results, and involve the prior definition of measurable quantitative and qualitative objectives —whilst eliminating as far as possible any subjective factors—, which are determined and communicated on an annual basis.

The main criteria existing in 2021 for the accrual of the short-term variable remuneration for those entitled to receive it are:

- Business units: (i) EBITDA of the corresponding business unit; (ii) sales volume; and (iii) individual targets, based on an appropriate management of risk and on process optimisation founded on key performance indicators.
- Service units: (i) Group EBITDA; and (ii) individual targets that are aligned with DEOLEO's strategic objectives and represent key indicators of business performance and the increase of value for shareholders.

There is a minimum threshold for obtaining the bonus, in such a way that, if the EBITDA achieved by the Group does not exceed a set minimum percentage of the budgeted EBITDA, the variable remuneration system will not be activated.

Furthermore, the system also envisages the award of an additional percentage of variable remuneration, up to a certain limit, if the EBITDA achieved surpasses the target.

With regard to the measures adopted to avoid conflicts of interest, Article 31.e) of the Board Regulations, on "Basic obligations arising from the duty of loyalty", obliges the directors to "adopt the measures required to avoid situations in which their interests, either as independent professionals or as employees, may come into conflict with the interests of, and their duties to, the Company".

Article 32 of the Board Regulations establishes, in relation to the "duty to avoid conflicts of interest", that:

- a) "The duty to avoid conflicts of interest referred to in point e) of the previous article obliges directors to refrain from:
- Performing transactions with the Company other than ordinary transactions performed under standard customer conditions and of scant significance, i.e. where the related information is not necessary to present fairly the equity, financial position and results of the Company.
 - Using the Company name or their position as director to unduly influence the performance of personal transactions.
 - Using Company assets, including the Company's confidential information, for personal ends.
 - Exploiting the Company's business opportunities.
 - Obtaining benefits or remuneration from third parties, other than the Company and its Group, associated with the discharge of their position, except where mere courtesies are involved.
 - Performing activities as independent professionals or as employees that involve effective competition, either current or potential, with the Company or that, in any other way, place them in a situation of ongoing conflict with the interests of the Company.

b) The aforementioned provisions shall also apply if the beneficiary of the acts or of the prohibited activities is a person related to the director. For the purposes of the provisions of the previous section, related persons are taken to be those persons defined as such in current legislation.

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

B.3. Explain how the remuneration earned and vested in the year complies with the provisions of the remuneration policy in force and, in particular, how it contributes to the sustainable, long-term performance of the company.

Also report on the relationship between the remuneration obtained by the directors and the company's short- and long-term earnings or other performance measures, explaining, where appropriate, how variations in the company's performance may have influenced the variation in directors' remuneration, including remuneration earned and subject to deferred payment, and how it contributes to the company's short- and long-term performance.

The remuneration earned in 2021, which is compliant with the Directors' Remuneration Policy in force, was applied as follows:

- a) Non-executive directors:

- 1) Attendance fees (Board and Committee Meetings of Deoleo, S.A.)
 - Individual fee for attending Board of Directors Meeting: EUR 3,500.
 - Maximum annual limit of fees for attending Board of Directors Meetings: EUR 41,000.
 - Individual fee for attending Committee Meetings (Chair): EUR 2,500.
 - Individual fee for attending Committee Meetings (Committee member): EUR 1,500.
- 2) Remuneration at other DEOLEO Group companies

As previously mentioned, within the framework of the Refinancing process, the Company entered into the Shareholders Agreement.

The aim of the Shareholders Agreement is to govern the relations between the shareholders of Deoleo Holding, the relations of the shareholders of Deoleo Holding with the Deoleo Holding Subgroup, and to establish the system of governance, management and operation of these companies, among other matters.

The Shareholders Agreement covers certain matters concerning the remuneration of the directors of the Deoleo Holding Subgroup in their capacity as such, including mainly the following:

- The agreement establishes the creation of a Remuneration Committee at 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 meeting of Deoleo Holding, as the case may be, shall approve the maximum remuneration to be received by the directors for the performance of their duties. In this connection, on 12 November 2020, the sole shareholder of Deoleo Holding set the maximum amount of the annual remuneration for all the directors of Deoleo UK at EUR 490,000 per annum. However, in February 2022 the shareholders at the Extraordinary General Meeting of Deoleo Holding, S.L. updated this figure, setting it at a maximum amount of EUR 560,000 per annum.

This maximum amount shall be distributed in full among the directors of Deoleo UK until the remuneration to which they are entitled has been paid, in accordance with the terms of the corresponding Letters of Appointment signed by each director with Deoleo UK.

- No more than two directors related to the same shareholder may receive remuneration from any of the companies in the Deoleo Holding Subgroup.
- The following matters, among others, are reserved for approval by the Board of Directors of Deoleo UK and require the affirmative vote of at least two directors proposed by the creditor banks:
 - The appointment or removal of the chief executive officer.
 - Any increase in the total maximum amount that Deoleo Holding or any Group company would have to pay to the beneficiaries of the Long-Term Incentive Plan, and any other amendments to the terms and conditions thereof.
 - The adoption or establishment, by any Group company, of any incentive, benefit plan, pension plan, or compensation for employees or managers, or any modification of existing ones, at the companies of the Deoleo Holding Subgroup.

Continued in section D.

B.4. Report on the outcome of the advisory vote of the general meeting on the annual report on remuneration for the previous year, indicating the number of abstentions and the number of "no" votes, blank votes and "yes" votes cast:

	Number	% of total
Votes cast	292,989,823	58.60
	Number	% of votes cast
"No" votes	3,477,386	1.19
"Yes" votes	289,506,361	98.81
Blank votes		0.00
Abstentions	6,076	0.00

Observations

- B.5.** Explain how the fixed components earned and vested in the year by the directors in their capacity as such were determined, their relative proportion for each director, and how they have changed with respect to the previous year.

As indicated in sections A.13 and B3, the fixed remuneration of the non-executive directors in their capacity as such for 2019 and subsequent years, unless expressly amended, relates to fees for attending the meetings of the Board of Directors and of its Committees, set at the following amounts:

- Attendance fees for each meeting of the Board of Directors: EUR 3,500 per meeting.
- Attendance fees for each of the meetings of the Committees of which the directors form part at any given time: EUR 1,500 per meeting, except for the Chair of each committee, who shall receive EUR 2,500 per meeting.

In addition, as indicated in section B.3, there are certain directors who receive remuneration due to the fact that they are also directors of Deoleo UK. The remuneration of the directors of Deoleo UK as established in the respective Letters of Appointment shall remain in force until such time as the Board of Directors of Deoleo UK resolves to amend it. The individual remuneration, which is the same for all of the directors, is summarised as follows:

- Annual fixed remuneration: EUR 70,000 gross.
- It includes any remuneration for attending the committee and board meetings of any DEOLEO Group company.
- The amount of the annual fixed remuneration is reviewable each year by the Board of Directors of Deoleo UK, although it is not under any obligation to increase it.
- In the event of temporary incapacity due to illness, disability or injury that prevents a director from providing their services, the decision regarding the accrual of the corresponding remuneration is at the discretion of the Board of Directors of Deoleo UK.
- Deoleo UK reimburses the directors for any reasonable travel and sustenance expenses incurred by them in discharging their duties, subject to the submission of adequate supporting documentation.

- B.6.** Explain how the salaries earned and vested in the last financial year by each of the executive directors for the performance of their management duties were determined and how they have changed with respect to the previous year.

The annual fixed remuneration of the executive director amounted to EUR 477,494 in 2021, corresponding to the remuneration established in the Services Contract entered into in April 2019 (EUR 475,000), which was revised upwards by 0.7% effective from 1 April 2021.

- B.7.** Explain the nature and main features of the variable components of the remuneration systems earned and vested in the last financial year.

In particular:

- a) Identify each of the remuneration plans determining the various items of variable remuneration earned by each of the directors in the last financial year, including information on the scope of the plan, its approval date, implementation date, vesting conditions, if any, accrual periods and periods of validity, the criteria used to assess performance and how this affected the establishment of the variable amount earned, as well as the measurement criteria used and the time required in order to be in a position to adequately measure all the stipulated conditions and criteria. Provide a detailed description of the criteria and factors applied with respect to the time required and the methods for verifying effective compliance with the performance-related conditions or conditions of any other kind to which the accrual and vesting of each variable remuneration component was linked.
- b) In the case of plans granting stock options or other financial instruments, the description of the general features of each plan shall include information on the conditions both for acquiring unconditional ownership (vesting) thereof, and for being able to exercise those options or financial instruments, including the price and the exercise period.

- c) Each of the directors, and their category (executive directors, non-executive proprietary directors, non-executive independent directors or other non-executive directors), who are beneficiaries of remuneration systems or plans that include variable remuneration.
- d) Where applicable, information shall be provided on the established accrual periods or payment deferral periods that were applied and/or the retention/non-disposal periods for the shares or other financial instruments, if any.

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

The criteria for the accrual of the annual variable remuneration of the executive director for 2021 were approved by the Board of Directors Meetings held on 23 February 2021 and 23 March 2021, and the settlement of the Annual Variable Remuneration based on the degree of achievement of the targets established for the last financial year was approved by the Board of Directors Meeting held on 22 February 2022, in both cases following a favourable proposal by the Nomination and Remuneration Committee.

The criteria used for the assessment of performance are divided into three categories:

- Budgeted EBITDA vs. EBITDA obtained.
- Budgeted cash flow vs. cash flow obtained.
- Individual targets related to various operating and strategic aspects of the business. Each of these targets has a different weighting for the accrual of the variable remuneration.

Based on the foregoing, the amount of the executive director's variable remuneration was calculated at 44 percent of the fixed remuneration, in view of the fact that the level of target achievement did not reach 100 percent.

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

As part of the Restructuring process completed on 24 June 2020, it was resolved to set up the Long-Term Incentive Plan for the members of the management team of the Deoleo Holding Subgroup, including the executive director.

Under the Long-Term Incentive Plan, the beneficiaries (or, as the case may be, their successors in title) will have the possibility of receiving an extraordinary cash remuneration to be determined on the basis of the increase in value of Deoleo Holding when a potential sale process is completed, and provided that the selling price of Deoleo Holding, taken to be the value of Deoleo Holding paid by a third party in the context of the potential sale process ("the Selling Price"), is higher than the amount resulting from dividing the effective amount subscribed in the capital increase of DEOLEO agreed on 21 May 2020 by 51% ("the Initial Equity Value"). The effective amount subscribed in the capital increase was EUR 50,000,000.40 and, therefore, the initial equity value was EUR 98,039,216.47.

The remuneration to be received by the beneficiaries under the Long-Term Incentive Plan will be paid in cash and will be conditional upon the beneficiaries' remaining in an active employment or commercial contractual relationship with the Deoleo Holding Subgroup on the date on which the potential sale process takes place (except in the special termination circumstances established in the Long-Term Incentive Plan, in which case the remuneration received shall be calculated using a specific formula).

The aforementioned remuneration for the beneficiaries as a whole will be calculated as follows:

- If the Selling Price <= EUR 98,039,216.47 --- Maximum remuneration: EUR 0.
- If EUR 98,039,216.47 < the Selling Price <= EUR 105,418,512.33 --- Maximum remuneration: Selling Price – EUR 98,039,216.47.
- If the Selling Price > EUR 105,418,512.33 --- Maximum remuneration: 7% x Selling Price.

The remuneration is to be paid to the beneficiaries in the proportion corresponding to each of them, and it shall be paid by the operating company Deoleo Holding, which is the company that has assumed this commitment.

The Long-Term Incentive Plan, participation in which shall be voluntary for the beneficiaries, will expire on the date on which the Sale Process is completed and, in any case, once 10 years have elapsed from the commencement date of the Long-Term Incentive Plan if by such time the Sale Process has not been completed.

If any significant internal or external changes should arise in relation to the achievement of the targets of the Long-Term Incentive Plan, making it necessary to revise and adapt those targets, the Board of Directors of Deoleo UK may, subject to approval by the shareholders, modify the terms of the Long-Term Incentive Plan. In this connection, the various circumstances that can give rise to a modification of the Long-Term Incentive Plan include any corporate restructuring transaction as a result of a purchase, sale, merger, spin-off, share exchange, capital increase or reduction, or a reorganisation of any kind, that

entails a substantial change in the size, activity or type of business of the Deoleo Holding Subgroup.

The Group's directors considered that the staff costs to be incurred in this connection could not be determined at 31 December 2021. The available information is insufficient to determine the fair value of this commitment, since the probability and possible date of the sale are uncertain. Accordingly, it was opted to continue to recognise a value of nil, which will be reviewed at the end of the next reporting periods based on the evolution of the different variables with an impact on measurement of the fair value.

- B.8.** Indicate whether certain variable components earned were reduced or claimed back where, in the first case, the payment of unvested amounts was deferred, or, in the second case, the components had vested and been paid on the basis of information manifestly proved to be inaccurate after they were paid. Describe the amounts that were reduced or returned under malus or clawback clauses, why they were enforced and the years to which they relate.

This situation did not apply in 2021.

- B.9.** Explain the main features of the long-term savings schemes, the equivalent annual amount or cost of which is shown in the tables in Section C, including retirement and any other survivor's benefits, that are partially or totally financed by the company, whether internally or externally, indicating the type of plan, whether it is a defined-contribution or a defined-benefit plan, the contingencies that it covers, the vesting conditions of the economic rights for 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.

There are no long-term savings schemes in place for the directors.

- B.10.** Explain any termination benefits or other payments arising from early removal from office, whether prompted by the company or the director, or from termination of contract, in the terms provided therein, earned and/or received by the directors in the last financial year.

DEOLEO has not agreed to pay any termination benefits to its directors in their capacity as such, and it did not pay any such benefits in 2021.

DEOLEO did not pay any termination benefits or compensation for retirement or contract termination to executive directors in 2021.

- B.11.** Indicate whether there have been any significant amendments to the contracts of executive directors exercising senior management functions and, if this is the case, explain the amendments made. Also, describe the main terms and conditions of the new contracts entered into with executive directors in the year, unless they have been described in Section A.1.

No amendments were made in 2021 to the executive director's contract that was formalised in 2019.

- B.12.** Explain any supplementary remuneration accrued to the directors as consideration for services rendered other than those inherent to their position.

In 2021 no supplementary remuneration accrued to the directors as consideration for services rendered other than those inherent to their position.

- B.13.** Explain any remuneration arising from the grant of advances, loans and guarantees to the directors, with an indication of the interest rates, main conditions and amounts ultimately repaid, as well as any guarantee obligations assumed on their behalf.

In 2021 no other remuneration was provided to the directors in the form of loans or guarantees granted to them or guarantee obligations assumed on their behalf.

- B.14.** Detail the remuneration in kind earned by the directors in the year and provide a brief description of the nature of the various salary components.

In 2021 the executive director earned remuneration in kind amounting to EUR 35 thousand relating to private medical insurance, including additional coverage for spouse and children, a company car and other welfare benefits common to the employees of Deoleo Global, S.A.U.

- B.15.** Explain the remuneration earned by the director by virtue of payments made by the listed company to a third party at which the director provides services, where such payments are intended to remunerate the director's services at the company.

No such remuneration was earned in 2021.

- B.16.** Explain and provide a detail of the amounts accrued in the year in relation to any remuneration item other than those mentioned above, irrespective of its nature or the Group entity that pays it, including all benefits in whatever form they may take, such as when the item is considered to be a related-party transaction or, especially, when it significantly affects the fair presentation of the total remuneration earned by the director. An explanation should be given of the amount awarded or payable, the nature of the consideration received and the reasons why the item was not considered, as the case may be, to constitute remuneration of the director in their capacity as such or consideration for the performance of their executive functions, and whether or not it was deemed appropriate to include the remuneration in the amounts accrued under "other items" in section C.

There were no remuneration items in 2021 other than those described in this report.

C. DETAIL OF THE INDIVIDUAL REMUNERATION CORRESPONDING TO EACH DIRECTOR

Name	Type of director	2021 accrual period
IGNACIO SILVA ALCALDE	Executive director	From 01/01/2021 to 31/12/2021
GIANLUCA BOLLA	Independent director	From 01/01/2021 to 31/12/2021
APRIL ADAMS-REDMOND	Independent director	From 27/07/2021 to 31/12/2021
FERNANDO VALDÉS BUENO	Proprietary director	From 01/01/2021 to 31/12/2021
ROCÍO HERVELLA	Proprietary director	From 18/10/2021 to 31/12/2021
THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.	Proprietary director	From 01/01/2021 to 31/12/2021
THEATRE DIRECTORSHIP SERVICES BETA, S.A.R.L.	Proprietary director	From 01/01/2021 to 18/10/2021
JAVIER LÓPEZ GARCÍA-ASENJO	Independent director	From 01/01/2021 to 27/07/2021

C.1. Complete the following tables with respect to the individual remuneration of each of the directors (including remuneration for discharging executive duties) accrued in the year.

- a) Remuneration from the company that is the subject of this report:
 - i) Cash remuneration (in thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
IGNACIO SILVA ALCALDE										
GIANLUCA BOLLA										38
APRIL ADAMS-REDMOND										
FERNANDO VALDÉS BUENO										23

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
ROCÍO HERVELLA										
THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.										21
THEATRE DIRECTORSHIP SERVICES BETA, S.A.R.L.		4							4	10
JAVIER LÓPEZ GARCÍA-ASENJO		18	16						34	51

Observations

As a result of the reorganisation of the Group in 2020, the executive director's remuneration has been earned since then at Deoleo Global, S.A.U., although the functions remunerated relate to his capacity as executive director of the Group.

The directors that are business entities were represented in 2021 by the following natural persons:

- Theatre Directorship Services Beta S.à r.l., by Javier de Jaime Guijarro.
- Theatre Directorship Services Gama S.à r.l., by Juan Arbide Estensoro.

ii) Table showing changes in the share-based payment schemes and gross earnings on the vested shares or financial instruments.

Name	Name of the plan	Financial instruments at the beginning of 2021		Financial instruments awarded in 2021		Financial instruments vested in the year				Matured instruments not exercised	Financial instruments at the end of 2021		
		No. instruments	Equivalent no. of shares	No. instruments	Equivalent no. of shares	No. instruments	Equivalent no. of (vested) shares	Price of vested shares	Gross earnings on vested shares or financial instruments (thousands of euros)	No. instruments	No. instruments	Equivalent no. of shares	
No data													

iii) Long-term savings schemes.

Name	Remuneration from vesting of rights to savings schemes
No data	

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with unvested economic rights		Savings schemes with vested economic rights		Savings schemes with unvested economic rights	
	2021	2020	2021	2020	2021	2020	2021	2020
No data								

Observations

iv) Detail of other items

Name	Item	Remuneration amount
No data		

b) Remuneration of directors of the listed company for their membership of managing bodies of its subsidiaries:

i) Cash remuneration (in thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
IGNACIO SILVA ALCALDE	477				211				688	867
GIANLUCA BOLLA	66								66	33
APRIL ADAMS-REDMOND	30								30	
FERNANDO VALDÉS BUENO	68								68	34
ROCÍO HERVELLA	12								12	
THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.	70								70	36
THEATRE DIRECTORSHIP SERVICES BETA, S.A.R.L.										
JAVIER LÓPEZ GARCÍA-ASENJO										

Observations

As a result of the reorganisation of the Group in 2020, the executive director's remuneration has been earned since then at Deoleo Global, S.A.U., although the functions remunerated relate to his capacity as executive director of the Group.

The fixed remuneration of non-executive directors that was not earned at Deoleo, S.A. was earned at Deoleo UK.

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ii) Table showing changes in the share-based payment schemes and gross earnings on the vested shares or financial instruments.

Name	Name of the plan	Financial instruments at the beginning of 2021		Financial instruments awarded in 2021		Financial instruments vested in the year				Matured instruments not exercised	Financial instruments at the end of 2021	
		No. instruments	Equivalent no. of shares	No. instruments	Equivalent no. of shares	No. instruments	Equivalent no. (vested) of shares	Price of vested shares	Gross earnings on vested shares or financial instruments (thousands of euros)	No. instruments	No. instruments	Equivalent no. of shares
No data												

Observations

iii) Long-term saving schemes.

Name	Remuneration from vesting of rights to savings schemes
No data	

Name	Company's contribution for the year (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with unvested economic rights		Savings schemes with vested economic rights		Savings schemes with unvested economic rights	
	2021	2020	2021	2020	2021	2020	2021	2020
No data								

Observations

iv) Detail of other items

Name	Item	Remuneration amount
IGNACIO SILVA ALCALDE	Company car, medical insurance, life insurance and other employee benefits.	35

Observations

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

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

Name	Remuneration earned at the Company					Remuneration earned at Group companies					Total 2021 - Company + Group
	Total cash remuneration	Gross earnings on vested shares or financial instruments	Remuneration from savings schemes	Remuneration from other items	Total 2021 - Company	Total cash remuneration	Gross earnings on vested shares or financial instruments	Remuneration from savings schemes	Remuneration from other items	Total 2021 - Group	
IGNACIO SILVA ALCALDE						688			35	723	723
GIANLUCA BOLLA						66				66	66
APRIL ADAMS-REDMOND						30				30	30
FERNANDO VALDÉS BUENO						68				68	68
ROCÍO HERVELLA						12				12	12
THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.						70				70	70
THEATRE DIRECTORSHIP SERVICES BETA, S.A.R.L.	4				4						4
JAVIER LÓPEZ GARCÍA-ASENJO	34				34						34
TOTAL	38				38	934			35	969	1,007

Observations

The conditions of the remuneration received by non-executive directors are detailed in sections B.3 and B.5. All non-executive directors of Deoleo, S.A. they are, in turn, directors of the subsidiary company Deoleo UK Ltd., receiving their remuneration as directors through the latter company. The differences between the remuneration received by the different non-executive directors are due to the time in which they have held the position during the 2021 financial year, with the individual fixed remuneration on an annual basis being 70,000 euros.

- C.2.** Indicate the changes over the last 5 years in the amount and percentage variation of the remuneration earned by each of the directors of the listed company who had served as such during the year, and the changes in the consolidated profit or loss of the company and in the average remuneration, on a full-time equivalent basis, of the employees of the company and of its subsidiaries who are not directors of the listed company.

	Total amounts earned and % annual change								
	2021	% Change 2021/2020	2020	% Change 2020/2019	2019	% Change 2019/2018	2018	% Change 2018/2017	2017
Executive directors									
IGNACIO SILVA ALCALDE	723	-18.76	890	40.16	635	-	0	-	0
Non-executive directors									
FERNANDO VALDÉS BUENO	68	19.30	57	119.23	26	-7.14	28	-20.00	35
JAVIER LÓPEZ GARCÍA-ASENJO	34	-33.33	51	4.08	49	2.08	48	-32.39	71
GIANLUCA BOLLA	66	-7.04	71	51.06	47	-7.84	51	-23.88	67
THEATRE DIRECTORSHIP SERVICES BETA, S.A.R.L.	4	-60.00	10	42.86	7	-72.00	25	-28.57	35
THEATRE DIRECTORSHIP SERVICES GAMA, S.A.R.L.	70	22.81	57	714.29	7	-75.00	28	-28.21	39
APRIL ADAMS-REDMOND	30	-	0	-	0	-	0	-	0
ROCÍO HERVELLA	12	-	0	-	0	-	0	-	0

Consolidated results of the Company									
	35,529	-87.91	293,889	-	-5,503	98.34	-331,758	-	-26,112
Average employee remuneration									
	50	-12.28	57	3.64	55	3.77	53	-1.85	54

D. OTHER INFORMATION OF INTEREST

If there is any salient feature of directors' remuneration that has not been dealt with in the other sections of this report, but which it is necessary to include in order to provide more complete and reasoned information on the company's remuneration structure and practices in relation to its directors, provide a brief description.

Continued from section A.1

Taking this proposal into consideration, the shareholders at the General Meeting held on 29 October 2020 approved certain updates to the Directors' Remuneration Policy, giving rise to the wording in force in the current year.

Without prejudice to the provisions of the Spanish Limited Liability Companies Law regarding directors' remuneration, the Board of Directors of Deoleo, S.A., following the corresponding reports from the Nomination and Remuneration Committee, will adopt and review, on a regular basis, the general principles of the Directors' Remuneration Policy, and will be responsible for overseeing the implementation thereof. To this end, each year the Board of Directors of Deoleo, S.A. will review the principles and procedures contained in the Directors' Remuneration Policy in order to include therein or, as the case may be, propose such amendments, adaptations, implementing rules or regulatory criteria as might be necessary.

The Nomination and Remuneration Committee has already begun to work on the proposal for a new Policy that will be presented at the next General Meeting, and that will continue with the previous one. At the meeting of said Committee on February 22, 2022, work was already done on a practically definitive proposal, which is expected to be approved at the Committee meeting prior to the call for the General Meeting.

Continued from section B.3

The remuneration of the directors of Deoleo UK as established in the respective Letters of Appointment shall remain in force until such time as the Board of Directors of Deoleo UK resolves to amend it. The individual remuneration, which is the same for all of the directors, is summarised as follows:

- Annual fixed remuneration: EUR 70,000 gross.
- It includes any remuneration for attending the committee and board meetings of any DEOLEO Group company.
- The amount of the annual fixed remuneration is reviewable each year by the Board of Directors of Deoleo UK, although it is not under any obligation to increase it.
- In the event of temporary incapacity due to illness, disability or injury that prevents a director from providing their services, the decision regarding the accrual of the corresponding remuneration is at the discretion of the Board of Directors of Deoleo UK.
- Deoleo UK reimburses the directors for any reasonable travel and sustenance expenses incurred by them in discharging their duties, subject to the submission of adequate supporting documentation.

The Directors' Remuneration Policy in force provides that any directors of DEOLEO who receive fees for attending the meetings of the governing bodies of other subsidiaries, or other remuneration from those subsidiaries, shall not receive any fees for attending the meetings of the Board of Directors of DEOLEO or those of its Committees.

As regards the remuneration of DEOLEO's directors, as detailed in section C.1.b) below, in 2021 there were six directors of Deoleo, S.A. who were in turn directors at Deoleo UK. In compliance with the Directors' Remuneration Policy and the Shareholders Agreement:

- Theatre Directorship Services Beta S.à.r.l. only received the attendance fees corresponding to it for attending the Board Meetings of DEOLEO, since at Deoleo UK there were already two directors appointed by funds of the shareholder CVC Capital Partners who received remuneration in their capacity as directors of Deoleo UK.
- Ignacio Silva does not receive any remuneration or attendance fees for discharging his respective duties as a director in his capacity as such at Deoleo, S.A. or at other companies in the Deoleo Holding Subgroup.

b) Executive director:

All the members of DEOLEO's management team, including the executive director, perform their functions at the Deoleo Holding Subgroup, specifically at Deoleo Global, S.A.U., to which the Directors' Remuneration Policy in force in the year was also applied.

The executive director's remuneration is summarised as follows:

- Fixed remuneration: EUR 478,325, following the upward revision of this remuneration by 0.7% for 2021 (effective from 1 April 2021) from that initially established in the contract entered into in April 2019, which set an initial remuneration of EUR 475,000.
- Annual variable remuneration: EUR 211,396, a figure corresponding to the variable remuneration target achievement scale.

- Amount of the annual variable remuneration and its relationship with results: In 2021 the executive director earned approximately 88% of his variable remuneration based on the assessment of individual targets achieved and on the EBITDA obtained by the Group, which was slightly below budget.

Deoleo's Remuneration Policy has a series of features that guarantee its contribution to and consistency with the Company's business strategy, interests and long-term sustainability:

- The executive directors' remuneration includes the following components: (i) fixed remuneration, (ii) short-term variable remuneration and (iii) medium and long-term variable remuneration.
- The annual variable remuneration is linked to, among other factors, certain quantitative indicators that are budgeted and reported on an annual basis and which may be associated with, inter alia, the Company's strategic objectives, its business performance and the increase in value for shareholders.
- The medium and long-term variable remuneration has a timeframe of several years in order to ensure that the evaluation process is based on long-term results.
- The annual variable remuneration will be paid once the results for the year in question have been published by the Spanish National Securities Market Commission.
- The Nomination and Remuneration Committee will be charged with performing a periodic review of the Remuneration Policy and ensuring that it is complied with.

Other information of interest

Deoleo UK Ltd. has nine non-executive directors, five of whom are currently also directors of Deoleo, S.A.; the remuneration of these five directors is disclosed in section C.1.b.i).

The combined remuneration of the remaining four directors (one of whom was replaced in 2021) amounted to EUR 251 thousand, and the remuneration conditions explained in section B.3 were applied to them.

This annual remuneration report was approved by the Company's Board of Directors at its meeting held on:

29/03/2022

Indicate whether any directors voted against or abstained in relation to the approval of this Report.

- [] Yes
[√] No