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

<b>END OF REPORTING PERIOD</b>	31/12/2017
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<b>Corporate Tax Number (CIF)</b>	A48943864
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**REGISTERED NAME**

GESTAMP AUTOMOCIÓN, S.A.

**REGISTERED ADDRESS**

POLÍGONO INDUSTRIAL DE LEBARIO, S/N, ABADIANO, 48220, BIZKAIA

**ANNUAL REPORT FORMAT ON THE REMUNERATION OF THE  
DIRECTORS OF PUBLIC LISTED COMPANIES**

**A**

**THE COMPANY'S REMUNERATION POLICY FOR THE YEAR IN PROGRESS**

A.1 Explain the company's remuneration policy. Within this section, include information on:

- The general principles and fundamentals of the remuneration policy.
- The most significant changes made in the remuneration policy in comparison to the policy applied the previous year, as well as any modifications rendered during the year in the conditions for exercising previously granted options.
- The criteria used to establish the company's remuneration policy.
- The relative importance of variable remuneration items compared with fixed items and the criteria followed to determine the different components of the Directors' remuneration package (remuneration mix).

**Explain the remuneration policy**

The Remuneration Policy of the Directors of Gestamp Automoción, S.A. (hereinafter, the "**Company**") is based on the creation of value in the companies pertaining to the Company as a whole (hereinafter, the "**Group**") in light of the situation in the markets in which it operates.

Specifically, the Remuneration Policy of the Directors of the Company (hereinafter, the "**Remuneration Policy**") approved at the General Shareholders' Meeting held on 3 March 2017 defines the following principles, which must guide the remuneration of Directors, earned for such status:

- (i) Adequacy. It must be sufficient to compensate the dedication, qualification and responsibility of the Directors while at no time compromising their independence.
- (ii) Competitiveness. It must be capable of attracting and retaining the talent of the Directors and, at the same time, it must be in line with the market criteria at companies of similar characteristics at the national and international levels.
- (iii) Dedication. It must respond to the dedication and responsibility of each of the Directors.
- (iv) Reasonability. It must be capable of reflecting the Company's reality and that of the sector in which it operates, as well as the economic situation at a given time.
- (v) Transparency. It must follow transparency criteria to guarantee the confidence of investors and shareholders.

Remuneration of Directors for performing their executive duties shall also be guided by the following principles contained in the Remuneration Policy:

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- (i) Performance. It must include a variable component linked to the achievement of specific targets, aligned with the strategic objectives and the creation of value for the Group.
- (ii) Sustainability. It must align part of the remuneration with sustained growth over time.
- (iii) Equity. Director remuneration for the performance of executive duties must be proportional to the level of responsibility and experience.

From the time at which the Remuneration Policy was approved up to the present, the Company's General Shareholders' Meeting has not passed any amendments to the policy. However, the Company's Board of Directors is expected to propose a new Remuneration Policy for approval by the Company's General Shareholders' Meeting in 2018 to adapt the policy to the new organisational structure effective starting in 2018 in relation to the appointment of a Director with executive duties and the CFO of the Group as Managing Director. This new policy shall be explained in the next Annual Report on Director Remuneration for 2018, but the amendments made shall be placed at the Company shareholders' disposal through the call to the aforementioned General Meeting at which the new Remuneration Policy is to be approved, if appropriate. Hence, for the purposes of this report, references to the Remuneration Policy shall be made in relation to the Remuneration Policy valid as of the reporting date. In other words, they shall refer to the Remuneration Policy passed by the General Shareholders' Meeting on 3 March 2017.

To define the Remuneration Policy, the terms set forth by law, the Company's Articles of Association, the Regulations of the Board of Directors, the guidelines for the Remuneration Policy indicated above, and market trends in this regard have been followed.

Pursuant to article 29 of the Company's Regulations of the Board of Directors, remuneration for Director status shall consist in a fixed annual allowance to be distributed by the Board of Directors as such body deems fit, taking into account the conditions of each Director, the duties and responsibilities assigned to each one by the Board of Directors and their membership on the different committees, which could lead to differing remuneration amounts for each of them.

The Company does not pay its Directors any other kind of remuneration or benefits (attendance fees, savings or social welfare systems, advances, credits or guarantees) for their status as Directors, nor is this possibility provided for in the current Remuneration Policy. Thus, the Remuneration Policy seeks to compensate Directors in line with their professionalism and experience, as well as for their dedication and the responsibility they assume, while the remuneration paid does not compromise their independence.

In turn, the remuneration of Directors for the performance of executive duties is structured as follows in the Remuneration Policy:

- The remuneration structure for the Director with executive duties and Chief Executive of the Company consists in fixed remuneration and annual variable remuneration. Given such party's status as the controlling shareholder of the Company, the Director with executive duties and Chief Executive of the Company has no long-term incentives in their remuneration structure. The remuneration mix includes 70% fixed remuneration and 30% annual variable remuneration.

- The remuneration structure for the Director with executive duties and Chief Financial Officer of the Group consists in fixed remuneration, annual variable remuneration, multi-year variable remuneration and certain social benefits. The remuneration mix includes 35% fixed remuneration (including remuneration in kind), 15% annual variable remuneration and 50% multi-year variable remuneration.

A.2 Information about the preparatory work and the decision-making process followed to determine the remuneration policy, and the role played, where appropriate, by the remuneration committee and other control bodies in defining the remuneration policy. This information shall include, where applicable, the mandate given to the remuneration committee, its composition and the identity of the external advisors whose services were solicited to define the remuneration policy. It shall also describe the nature of any Directors who, where appropriate, were involved in defining the remuneration policy.

Explain the process by which the remuneration policy was determined
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Pursuant to article 41 of the Regulations of the Board of Directors, the Appointments and Remuneration Committee is in charge of submitting a proposal to the Board of Directors regarding the remuneration policy for Directors, as well as individual remuneration and other contractual conditions of Directors with executive duties, ensuring compliance with the policy and proposing the individual remuneration for Directors and approval of the contracts that the Company enters into with Directors that perform executive duties. In addition, pursuant to the terms of article 8 of the Company's Regulations of the Board of Directors, the Board of Directors shall be responsible for addressing the Company's policies and general strategies and, in particular, the Company's remuneration policy.

Article 21 of the Articles of Association further sets forth that the Appointments and Remuneration Committee shall be composed of at least three Directors appointed by the Board of Directors, who shall have the capacity, experience and dedication required to perform their duties. All the members of the Appointments and Remuneration Committee must be External or Non-executive Directors and the majority of them shall be Independent Directors.

The chairman shall be elected by the Appointments and Remuneration Committee itself among the members thereof that are Independent Directors and must be replaced every four years, with the possibility of re-election one year after termination.

In accordance with the above, the Appointments and Remuneration Committee is currently composed of 4 members:

- Mr Alberto Rodríguez Fraile (Committee Chairman, Independent External Director).
- Mr Pedro Sainz de Baranda (Independent External Director).
- Mr Gonzalo Urquijo Fernández de Araoz (Other External Directors).
- Mr. Noboru Katsu (Proprietary Director).

The Remuneration Policy containing the remuneration structure for Directors in general, and the main contract conditions for Directors that perform executive duties in particular, was approved by the General Shareholders' Meeting on 3 March 2017. The Remuneration Policy was not proposed by the Appointments and Remuneration Committee, given that such Committee had not been convened when the policy was approved. The information furnished by highly reputable external advisors in human resources was used to establish the composition and amounts of remuneration for the Directors. In reviewing the contents of the Remuneration Policy and the contract conditions for Directors with executive duties, expert legal advice was sought from a renowned Spanish law firm.

A.3 Indicate the sum and nature of the fixed components, with a breakdown, where appropriate, of the remuneration for performance of senior management duties by Executive Directors, the additional remuneration received by the chairman or members of committees of the Board of Directors, fees received for attending board meetings and committee meetings or other fixed remuneration for Directors, as well as an estimate of the annual fixed remuneration arising as a result. Identify any other benefits not paid in cash and the main parameters under which they are granted.

<b>Explain the fixed remuneration components</b>
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The sums and nature of the fixed remuneration components for the Company's Directors are contained in the Remuneration Policy published on the Company's website ([www.gestamp.com](http://www.gestamp.com)).

The fixed annual remuneration for Director status (excluding Directors with executive duties), for membership on the Board of Directors and on its committees, depending on the position held, is broken down as follows:

- Fixed remuneration for Board of Directors membership: 75,000 euros/year.
- Fixed remuneration for Committee membership: 15,000 euros/year.
- Fixed remuneration for Chairing a Committee: 15,000 euros/year.

The maximum sum of fixed remuneration for Director status is 885,000 euros/year.

No other remuneration items or social benefits have been defined for Director status.

The fixed annual remuneration for Directors with executive duties is:

- Director with executive duties and Chief Executive of the Company: 700,000 euros/year.
- Director with executive duties and Chief Financial Officer of the Group: 455,000 euros/year.

In addition, the Director with executive duties and Chief Financial Officer of the Group is given a company vehicle and life insurance as remuneration in kind.

However, the Director with executive duties and Chief Executive of the Group has not received any remuneration in kind.

#### A.4 Explain the amount, nature and main features of the variable components of the remuneration systems.

In particular:

- Identify each of the remuneration schemes of which the Directors are beneficiaries, the scope thereof, date approved, date implemented, period of validity and main features. In the case of schemes involving share options and other financial instruments, the scheme's general features shall include information on the conditions for exercising the options or financial instruments under each scheme.
- Indicate any remuneration received for participation in benefits or premiums and the reason for which they were granted.
- Explain the main parameters and the basis of any annual bonus systems.
- The types of Directors (Executive Directors, Proprietary External Directors, Independent External Directors or other External Directors) that are beneficiaries of remuneration systems or schemes involving variable remuneration.
- The basis of these variable remuneration systems or schemes, the performance assessment criteria selected, and the assessment methods and components for determining whether or not the assessment criteria have been met, as well as an estimate of the absolute sum of variable remuneration resulting from the remuneration scheme in force, depending on the degree of compliance with the hypotheses or targets used for reference.
- Where applicable, the payment deferment or postponement periods established and/or withholding periods of shares or other financial instruments, should these exist, shall be reported.

<b>Explain the variable components of the remuneration systems</b>
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As set forth in the Remuneration Policy of Directors of the Company, only the remuneration for Directors with executive duties includes items of a variable nature.

The aim of the variable remuneration for Directors with executive duties is as follows: (i) to link part of their remuneration to the accomplishment of specific targets aligned with the strategic objectives and the creation of value for the Group, (ii) to foster their commitment and (iii) to link their short- and long-term goals to those of the Group and its shareholders.

The Appointments and Remuneration Committee assesses the accomplishment of targets to determine the variable amounts to be paid to Directors with executive duties, and this assessment is approved by the Company's Board of Directors. Since the variable remuneration system is linked to quantifiable financial targets that are included in the Group's consolidated financial statements, the assessment process takes place after the statements have been approved by the General Shareholders' Meeting.

#### Annual Variable Remuneration

Annual variable remuneration is linked to a financial target tied entirely to the Group's value, and this target is defined as a multiple of the consolidated EBITDA less the Net

Indebtedness defined in the Budget each year. The degree of fulfilment is calculated by comparing the actual value attained during the year with the previously defined target value. Remuneration is calculated by taking the target variable remuneration as the basis and applying a percentage to the amount based on the degree of fulfilment of the targets. The payment curve has a minimum threshold of 70% and a maximum threshold of 120%. If the resulting figure attained is less than 70%, no amount whatsoever is paid, and if it falls between the minimum threshold (70%) and the maximum (120%), the sum paid is based on the actual percentage attained. Beyond the maximum 120% threshold, a payment of 120% shall be made.

The annual variable remuneration of the Director with executive duties and Chief Executive of the Group is 300,000 euros and that of the Director with executive duties and Chief Financial Officer of the Group is 195,000 euros, in accordance with the Remuneration Policy.

In this regard, the maximum annual variable remuneration for Directors with executive duties under the scheme with a performance percentage of 100% would be 495,000 euros and with a maximum performance of 120% would be 594,000 euros.

#### Multi-year Variable Remuneration

In 2016, a long-term incentives plan was approved for the 2016-2020 period for certain Company Managers, linked to the achievement of long-term targets and aimed at promoting sustained value creation for the Group over time and increasing the retention and motivation rates of key employees for the Company.

The long-term incentives plan for the Director with executive duties and Chief Financial Officer of the Group is linked to the achievement by the end of the period of a financial target set forth in the Group's Strategic Plan and related to shareholder interests, given that it is linked to the creation of value for the Group. If the target is met, the beneficiary shall receive an amount in cash within the first six months of 2021, after the achievement of the financial target to which the Plan is linked has been verified upon approval of the 2020 Consolidated Financial Statements.

Group value creation is determined as the difference in the Group's value between the starting date and the mathematical average value for the periods ended in 2019 and 2020. The Group's value is defined as a multiple of the consolidated EBITDA less Net Indebtedness. The payment curve has a minimum threshold of 70% and a maximum threshold of 120%. If the resulting figure attained is less than 70%, no amount whatsoever is paid, and if it falls between the minimum threshold (70%) and the maximum (120%), the sum paid is based on the actual percentage attained. Beyond the maximum 120% threshold, a payment of 120% shall be made.

In this regard, the maximum multi-year variable remuneration for the Director with executive duties and Chief Financial Officer of the Group under the scheme with a performance percentage of 100% would be 3,000,000 euros for the 2016-2020 period and with a maximum performance of 120% would be 3,600,000 euros for the 2016-2020 period.

A.5 Explain the main features of the long-term savings systems, including retirement and any other survivor benefits, partially or wholly funded by the company, whether provided internally or externally, providing an estimate of the sum or equivalent annual cost thereof, indicating whether the plan type is through a defined contribution or defined benefit scheme, the consolidation conditions of the financial rights to which Directors are entitled and their compatibility with any type of compensation for early rescission or termination of the contractual relationship between the company and the Director.

Also indicate the contributions made on behalf of the Director under defined contribution pension plans, or the increase in the Director's consolidated rights, in the case of contributions to defined benefit plans.

Explain the long-term savings systems
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As of the reporting date, long-term savings systems are not provided for Director status or for Directors with executive duties. The applicable Remuneration Policy does not provide for long-term savings systems for Director status or for Directors with executive duties either.

A.6 Indicate any severance payments agreed upon or paid in the event of dismissal from the office of Director.

Explain the severance payments
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Directors, in such capacity, do not receive severance payments.

The contracts in place between the Company and the Directors with executive duties contain a severance payment equal to two years of fixed remuneration and annual variable remuneration at the rate valid at the time of dismissal in the event of termination of the commercial relationship with the company, provided that the dismissal is not due to a breach attributable to the Director or to the exclusive will of such party. This severance payment shall compensate both the termination of the commercial relationship governed by the Contract and also, where applicable, the termination of the previously suspended employment relationship.

A.7 Indicate the conditions that must be met in the contracts of those performing senior management duties as executive directors. Among other information, indicate the term, limits on the sum of severance payments, long-service clauses, advance notice deadlines and payment in substitution of the advance notice, as well as any other clauses relating to contract premiums, compensation or redundancy payments for early termination or termination of the contractual relationship between the company and the executive director. Include the non-compete, exclusivity, long-service or loyalty agreements and post-contractual non-compete clauses, among other items.

Explain the conditions of executive director contracts
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The characteristics of the Executive Director contracts are detailed below:

**Term.** Indefinite.

**Exclusivity and non-competition throughout the contract term.** The commercial contract in place with the Director with executive duties, Chief Financial Officer of the Group, contains the obligation to refrain from performing any activities that could represent competition with any Group company whether directly or indirectly, through intervening individuals, companies or investments, or of any other kind and (ii) to provide their services to the Company and the Group companies with full, exclusive, dedication throughout the contract term.

**Reimbursement clause.** The contracts of Directors with executive duties include a clause that enables the Company to demand reimbursement of the variable remuneration components if it is found that the settlement and payment thereof was fully or partially based on false or inaccurate information.

**Severance payments.** The contracts of Directors with executive duties include a severance payment for unilateral dismissal by the Company not resulting from a severe negligent breach by the Director with executive duties. Where appropriate, such party shall be entitled to receive a gross severance payment equal to the sum of two years of fixed remuneration and annual variable remuneration at the rate valid at the time of dismissal.

The Company has a third-party liability insurance policy in place for directors and officers (D&O insurance), which covers the contractual and extra-contractual liability to third parties that may arise for the Directors and Management as a result of the activities entailed in their duties. This insurance policy covers the usual insurable liability in accordance with market practices that may arise within the aforementioned scope as a result of the directors' own acts and those of individuals performing activities while answering to or on behalf of the Company's Directors and Management.

**A.8 Explain any supplementary remuneration accrued by the Directors in compensation for services rendered other than those inherent to their position.**

<b>Explain the supplementary remuneration</b>
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As of the reporting date, neither the Directors, in such capacity, nor the Directors with executive duties have accrued any supplementary remuneration whatsoever in compensation for services rendered other than those inherent to their position. The applicable Remuneration Policy does not provide for any kind of supplementary remuneration.

**A.9 Indicate any remuneration in the form of advances, credits and guarantees constituted, indicating the interest rate, essential features and amounts potentially repaid, as well as the obligations undertaken on account thereof in relation to guarantees.**

<b>Explain the advances, credits and guarantees granted</b>
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As of the reporting date, no advances, credits or guarantees have been granted to the Company's Directors, nor is such possibility provided for in the applicable Remuneration Policy.

**A.10 Explain the main features of the remuneration in kind. Explain the remuneration in kind.**

**Explain the remuneration in kind**

As of the reporting date, the Remuneration Policy does not provide for remuneration in kind for Director status.

Regarding Executive Directors, the Director with executive duties and Chief Financial Officer of the Group has a company vehicle and life insurance, in accordance with the policies established for the Group's corporate services.

However, the Chairman and Chief Executive of the Group has not received any remuneration in kind.

**A.11 Indicate the remuneration accrued by the Director in virtue of payments made by the listed company to a third-party entity in which the Director provides services, when said payments are intended to compensate such party's services at the company.**

**Explain the remuneration accrued by the Director in virtue of payments made by the listed company to a third-party entity in which the Director provides services**

As a result of the capital increase that took place in Gestamp 2020, S.L. (direct owner of 50.10% of the Company's share capital), the significant shareholder of the Company, Acek Desarrollo y Gestión Industrial, S.L., signed an agreement on 23 December 2016 with Mitsui & Co., Ltd. and others. This agreement, reported to the CNMV in a Significant Event dated 7 April 2017 (Record No 250532), includes, among other matters, the right of Mitsui & Co., Ltd. to appoint two Directors.

In this regard, the remuneration accrued by the current members of the Board of Directors, Mr. Tomofumi Osaki and Mr. Noboru Katsu, was paid, at such parties' express request, on account of Mitsui & Co., Ltd., for a total of 123 thousand of euros in 2017. The amounts paid in 2018 up to the reporting date come to 41 thousand of euros.

**A.12 Any other remuneration items besides the ones above, regardless of their nature or the group entity that pays them, especially those classified as related-party transactions or if issuance distorts the true and fair view of the total remuneration accrued by the Director.**

**Explain any other remuneration items**

As of the reporting date, there are no remuneration items other than those indicated above for the Company's Directors.

A.13 Explain the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to adapt it to the company's long-term goals, values and interests. This may include, where appropriate, a reference to measures established to ensure that the company's long-term results are factored into the remuneration policy, measures that create a proper balance between the fixed and the variable remuneration components, measures taken in relation to categories of employees that perform professional activities with material repercussions on the entity's risk profile, reimbursement formulas or clauses aimed at claiming reimbursement of profit-based variable remuneration components when such components were paid as a result of information that was subsequently proven to be inaccurate and measures aimed at preventing conflicts of interest, where applicable.

<b>Explain the actions taken to reduce risks</b>
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The main objective of the Company's Remuneration Policy is the sustained creation of value for the Group over time, ensuring the transparency and objectivity thereof. In this regard, remuneration for Management, in addition to fixed remuneration, consists of:

- **Annual variable remuneration.** The variable remuneration received annually is aimed at the achievement of a financial target linked to the Group's value.
- **Multi-year variable remuneration.** Multi-year variable remuneration pursues the creation of long-term value, fosters retention and motivation of Management staff and aligns their interests with those of the Company, as defined in the Group's Strategic Plan at any time, thus also indirectly aligning them with the shareholders' interests in terms of contributing to the generation of value for shareholders.

Additionally, both systems are based on strictly objective criteria.

All the targets set each year for Directors with executive duties, as well as the degrees of achievement thereof, are approved by the Board of Directors subsequent to the report received from the Appointments and Remuneration Committee.

The contracts of Directors with executive duties include a clause that enables the Company to demand reimbursement of the variable remuneration components if it is found that the settlement and payment thereof was fully or partially based on false or inaccurate information.

## **B REMUNERATION POLICY EXPECTED FOR COMING YEARS**

Repealed

## **C OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE PAST YEAR**

C.1 Briefly summarise the main features of the remuneration structure and items in the remuneration policy applied during the year ended, which results in the detailed information on individual remuneration accrued by each of the Directors shown in Section D herein, as well as a summary of the decisions reached by the Board in applying these items.

<p style="text-align: center;"><b>Explain the remuneration structure and items of the remuneration policy applied during the year</b></p>
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The remuneration structure and items defined in the Remuneration Policy of the Directors of the Company applied during 2017 are described in Section A.1 herein.

The nature of the amounts paid in 2017 is detailed below, covering the period spanning from 24 March 2017, the date following the day on which the prospectus of the initial public offering of the Company's shares was verified and registered by the CNMV, to 31 December 2017:

For Director status:

The fixed annual remuneration that has accrued for Director status (excluding Directors with executive duties), for membership on the Board of Directors and on its committees, depending on the position held, is broken down as follows:

- Fixed remuneration for Board of Directors membership: 56,250 euros.
- Fixed remuneration for Committee membership: 11,250 euros.
- Fixed remuneration for Chairing a Committee: 11,250 euros.

The total sum of fixed remuneration accrued for Director status was 605 thousand of euros.

No other remuneration items or social benefits have been defined for Director status.

Directors with executive duties:

Directors with executive duties, in general, receive fixed remuneration, variable remuneration and certain social benefits.

Fixed remuneration:

The fixed annual remuneration for Directors with executive duties was for the aforementioned period:

- Director with executive duties and Chief Executive of the Company: 541 thousand of euros.
- Director with executive duties and Chief Financial Officer of the Group: 351 thousand of euros.

Annual Variable Remuneration:

As regards this type of remuneration, the degree of achievement of the target is estimated at 90.9% for 2017 after the consolidated financial statements for 2017 are approved by the General Shareholders' Meeting of the Company, thus leading to the following amounts:

- Director with executive duties and Executive Chairman: 211 thousand of euros

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- Director with executive duties and Chief Financial Officer of the Group: 137 thousand of euros

#### Multi-year Variable Remuneration 2016-2020

The contributions made in 2017 for participation by the Director with executive duties and Chief Financial Officer of the Group in the long-term incentive plan amount to 515 thousand of euros.

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**D DETAILED INFORMATION ABOUT THE INDIVIDUAL REMUNERATION ACCRUED BY EACH OF THE DIRECTORS**

D.1 Complete the following tables on the itemised remuneration for each of the Directors (including remuneration for performing executive duties) accruing during the year.

a) Remuneration accrued at the company issuing this report:

<i>Name</i>	<i>Type</i>	<i>Accrual period: 2017 financial year</i>
FRANCISCO JOSÉ RIBERAS MERA	Executive	From 24/03/2017 to 31/12/2017
FRANCISCO LÓPEZ PEÑA	Executive	From 24/03/2017 to 31/12/2017
ALBERTO RODRÍGUEZ-FRAILE DÍAZ	Independent	From 24/03/2017 to 31/12/2017
ANA GARCÍA FAU	Independent	From 24/03/2017 to 31/12/2017
CÉSAR CERNUDA REGO	Independent	From 24/03/2017 to 31/12/2017
PEDRO SAINZ DE BARANDA	Independent	From 24/03/2017 to 31/12/2017
JAVIER RODRÍGUEZ PELLITERO	Independent	From 24/03/2017 to 31/12/2017
GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	Other External Directors	From 24/03/2017 to 31/12/2017
GEERT MAURICE VAN POELVOORDE	Other External Directors	From 24/03/2017 to 31/12/2017
JUAN MARÍA RIBERAS MERA	Proprietary	From 24/03/2017 to 31/12/2017
NOBORU KATSU	Proprietary	From 24/03/2017 to 31/12/2017
TOMOFUMI OSAKI	Proprietary	From 24/03/2017 to 31/12/2017

(i) *Remuneration in cash (in thousands of €)*

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Name	Salaries	Fixed remuneration	Attendance fees	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership on board committees	Severance payments	Other items	Total for the year 2017	Total for the year 2016
FRANCISCO JOSÉ RIBERAS MERA	541	0	0	211	0	0	0	0	752	NA
FRANCISCO LÓPEZ PEÑA	351	0	0	137	515	0	0	10	1,013	NA
ALBERTO RODRÍGUEZ-FRAILE DÍAZ	0	56	0	0	0	23	0	0	79	NA
ANA GARCÍA FAU	0	56	0	0	0	11	0	0	67	NA
CÉSAR CERNUDA REGO	0	56	0	0	0	0	0	0	56	NA
PEDRO SAINZ DE BARANDA	0	56	0	0	0	11	0	0	67	NA
JAVIER RODRÍGUEZ PELLITERO	0	56	0	0	0	23	0	0	79	NA
GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	0	56	0	0	0	11	0	0	67	NA
GEERT MAURICE VAN POELVOORDE	0	0	0	0	0	0	0	0	0	0
JUAN MARÍA RIBERAS MERA	0	56	0	0	0	11	0	0	67	NA
NOBORU KATSU	0	56	0	0	0	11	0	0	67	NA
TOMOFUMI OSAKI	0	56	0	0	0	0	0	0	56	NA

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- (ii) Share-based remuneration systems
- (iii) Long-term savings systems
- (iv) Other benefits (in thousands of €)

Name/Type	Life insurance premiums		Guarantees set up by the company in the Directors' favour	
	2017	2016	2017	2016
FRANCISCO LÓPEZ PEÑA	5	NA	NA	NA

**b) Remuneration accrued by the Company's Directors for membership on the boards of other Group companies:**

- (i) Remuneration in cash (in thousands of €)
- (ii) Share-based remuneration systems
- (iii) Long-term savings systems
- (iv) Other benefits (in thousands of €)

**c) Summary of remuneration (in thousands of €):**

The summary shall include the relevant amounts for all the remuneration items included herein that the Director has accrued, in thousands of euros. In the case of long-term savings systems, the contributions or payments made to this type of system shall be included:



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Name/Type	Remuneration accrued at the Company				Remuneration accrued at Group companies				Total		
	Total cash remuneration	Value of share awards	Gains on options exercised	Total for the year T company	Total cash remuneration	Value of share awards	Gains on options exercised	Total for the year T company	Total for the year T	Total for the year T-1	Contributions to the savings system during the year
FRANCISCO JOSÉ RIBERAS MERA	752	0	0	752	0	0	0	0	752	NA	0
FRANCISCO LÓPEZ PEÑA	1,013	0	0	1,013	0	0	0	0	1,013	NA	0
ALBERTO RODRÍGUEZ-FRAILE DÍAZ	79	0	0	79	0	0	0	0	79	NA	0
ANA GARCÍA FAU	67	0	0	67	0	0	0	0	67	NA	0
CÉSAR CERNUDA REGO	56	0	0	56	0	0	0	0	56	NA	0
PEDRO SAINZ DE BARANDA	67	0	0	67	0	0	0	0	67	NA	0
JAVIER RODRÍGUEZ PELLITERO	79	0	0	79	0	0	0	0	79	NA	0
GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	67	0	0	67	0	0	0	0	67	NA	0
GEERT MAURICE VAN POELVOORDE	0	0	0	0	0	0	0	0	0	NA	0

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JUAN MARÍA RIBERAS MERA	67	0	0	67	0	0	0	0	67	NA	0
NOBORU KATSU	67	0	0	67	0	0	0	0	67	NA	0
TOMOFUMI OSAKI	56	0	0	56	0	0	0	0	56	NA	0
<b>TOTAL</b>	<b>2,370</b>	<b>0</b>	<b>0</b>	<b>2,370</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,370</b>	<b>NA</b>	<b>0</b>

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D.2 Report on the relationship between the remuneration received by the Directors and the entity's profits or other means of gauging performance, explaining, where appropriate, how changes in the company's performance may have affected variations in Director remuneration.

Remuneration for status as a Director is not related to the Company's profits or other means of gauging performance.

Variable remuneration for Directors with executive duties is linked to the accomplishment of the Company's financial targets. An estimated 90.9% of the target set for 2017 was achieved, which shall accrue aggregate annual variable remuneration totalling 348 thousand of euros.

Details of these sums are contained in Section D.1 above.

Pursuant to article 29 of the Company's Regulations of the Board of Directors, the amount of the annual fee for the Board of Directors shall be determined by the General Shareholders' Meeting, to remain valid until it is amended; however, the Board of Directors may reduce this amount when deemed appropriate.

D.3 Report on the outcome of the advisory vote by the general meeting regarding the annual report on remuneration from the previous year, indicating the number of votes against that were issued, if any  
NA

## **E OTHER IMPORTANT INFORMATION**

**If there are any relevant issues related to Director remuneration that are not contained in the previous sections of this report but which must be included in order to present fuller and more detailed information about the company's remuneration structure and practices in relation to its Directors, explain them briefly.**

For professional reasons, the Other External Director, Mr. Geert Maurice Van Poelvoorde, waived his right to the remuneration accrued in his favour as Director of the Company during 2017, so no amounts or remuneration items whatsoever were paid to him.

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This annual report on remuneration was approved by the Company's Board of Directors at its meeting held on 26 February 2018.

Indicate here whether any Directors voted against or abstained in relation to the approval of this report.

Yes  No

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<b>Name or registered company name of the member of the board of directors that did not vote in favour of approving this report</b>	<b>Reasons (against, abstained, did not attend)</b>	<b>Explain the reasons</b>