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

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

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

A.1 Explain the current directors' remuneration policy for the current year. Insofar as it is relevant, certain information may be included by reference to the remuneration policy approved by the general shareholders' meeting, provided that its inclusion is clear, specific and concrete.

A description must be given of the specific decisions for the current financial year, both regarding directors' remuneration for their status as such and for the performance of executive duties, which the board has carried out in accordance with what is set out in the contracts signed with the executive directors and with the remuneration policy approved by the general meeting.

In any case, the following aspects should be reported as a minimum:

- Description of the company's procedures and bodies involved in determining and approving the remuneration policy and its conditions.
- State and, where appropriate, explain whether comparable companies have been taken into account in establishing the company's remuneration policy.
- Information on whether any external advisor has participated and, if so, the identity of the advisor.

The Remuneration Policy for Directors of Gestamp Automoción, S.A. (hereinafter, the "Remuneration Policy"), applicable at the date of issuance of this report, was approved by the Ordinary General Shareholders' Meeting held on 25 June 2020.

**PROCEDURES AND BODIES INVOLVED**

The Board of Directors of the Company is the body responsible for proposing the Remuneration Policy for the Board of Directors to the General Meeting. In addition, the Board of Directors is responsible for distributing the fixed annual allocation for the Directors for their status as such, which shall take into account the conditions of each Director, the duties and responsibilities attributed to them and whether they belong to the various Committees. However, with respect to Executive Directors, the Board of Directors determines their remuneration for their executive duties and the remaining contractual conditions, in all cases in accordance with what is set out in the Remuneration Policy.

The Nomination and Compensation Committee proposes the Directors'

Remuneration Policy to the Board of Directors in order to be submitted to the General Meeting. In addition, the Nomination and Compensation Committee proposes to the Board of Directors, the individual remuneration of all Directors, as well as the conditions of the contracts that the Company signs with the Directors who perform executive duties.

Ultimately, the General Shareholders' Meeting of the Company approves the Remuneration Policy.

## **B. REMUNERATION POLICY FOR CURRENT FINANCIAL YEAR (2021)**

### **Remuneration for Director status:**

In accordance with the Remuneration Policy, the remuneration of Directors for their status as such consists of a fixed annual allowance.

According to the Remuneration Policy, the maximum amount of remuneration of Directors for their status as such is an overall amount of 1,050,000 euros/year.

The determination of the remuneration of each Director for their status as such for the current financial year was approved by the Board of Directors on 17 December 2020, following a proposal from the Nomination and Compensation Committee, and is broken down as follows:

- Fixed remuneration for Board of Directors membership: 80,000 euros per year.
- Fixed remuneration for Committee membership: 15,000 euros per year.
- Fixed remuneration for Chairing a Committee: 15,000 euros per year.

### **Remuneration of directors for the performance of executive duties:**

- The remuneration of the Executive Chairman of the Company's Board of Directors consists of a fixed annual remuneration of 714,000 euros per year and an annual variable remuneration of 306,000 euros per year. Given the Executive Chairman's status as the controlling shareholder of the Company, he does not have any long-term incentives in his remuneration structure.
- Remuneration of Chief Executive Office (hereinafter, CEO), Mr. Francisco López Peña. It is stated for the record that, on 5 November 2020, the Board

of Directors (i) was notified about the voluntary resignation of Mr. Francisco López Peña as the CEO, effective 1 January 2021, maintaining as from that date the condition of Executive Director, (ii) the commercial contract that it regulated the provision of services between the Company and Mr. Francisco López Peña as CEO was declared terminated as from 1 January 2021, and (iii) a new commercial contract was approved for the performance of his new executive duties, subject to the previous proposal of the Nomination and Compensation Committee. In this sense, as from 1 January 2021, the remuneration of Mr. Francisco López Peña as Executive Director consists of a fixed amount of 300,000 euros per year and a variable multi-year amount of 3,000,000 euros, according to a long-term incentive started in 2017, as well as certain social benefits.

#### C. POLICIES OF COMPARABLE COMPANIES. PARTICIPATION OF EXTERNAL ADVISORS.

In order to determine the composition and amounts of Directors' remuneration as defined in the initial Remuneration Policy approved by the General Shareholders' Meeting on 3 March 2017, a study on the remuneration of listed companies was provided by Spencer Stuart. Additionally, the Cuatrecasas law firm provided advice on the review of certain aspects of the content of the aforementioned Remuneration Policy. For the review of the contractual conditions of Executive Director, the Garrigues law firm also provided advice. Finally, in view of the review of the Remuneration Policy approved by the General Meeting on 7 May 2018, advice was provided by the law firm GBP Legal. In the meeting of the Nomination and Compensation Committee of 3 April 2019, a benchmarking analysis was presented regarding the remuneration of the boards of directors of listed companies, based on a several studies prepared, among others, by Spencer Stuart. Finally, for the review of the terms of the Executive Director' new commercial contract the advice of Garrigues law firm has been counted.

- The relative importance of variable remuneration items compared to the fixed remuneration items (remuneration mix) and what criteria and objectives have been taken into account in determining them and to guarantee an appropriate balance between the fixed and variable components of remuneration. In particular, state 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 taken in relation to categories of employees that perform professional activities with material repercussions on the entity's risk profile and measures aimed at preventing conflicts of interest, where applicable.

Moreover, state whether the company has established any period of accrual or consolidation of certain variable remuneration items, in cash, shares or other financial instruments, a period of deferral in the payment of amounts or delivery of financial instruments already accrued and consolidated, or whether any clause has been agreed to reduce deferred remuneration or oblige the director to return remuneration received, when such remuneration has been based on data which has subsequently been clearly proven to be inaccurate.

With respect to Directors in their status as such, the Remuneration Policy is aimed at compensating Directors properly for the dedication and responsibility, without jeopardising their independence under any circumstances. In this sense, the Directors' remuneration in their status as such consists exclusively of a fixed remuneration in cash.

Only Executive Directors have variable items as part of their remuneration, apart from their fixed remuneration, as established in the Company's Remuneration Policy. In this regard:

- In relation to the remuneration mix of the Executive Chairman of the Company's Board of Directors, D. Francisco José Riberas Mera, the fixed remuneration represents 70% and the annual variable remuneration 30% of the total remuneration, on the basis of 100% performance of the objectives set.
- Regarding the remuneration mix of the Executive Director, Mr. Francisco López Peña, the fixed remuneration accounts for 41.2% and the annualised variable multi-year remuneration accounts for 58.8% of the total remuneration, on the basis of 100% performance of the goals set.

All variable items of Executive Directors' remuneration are defined in a manner preventing the accrual of remuneration below the minimum percentage of performance of the goals set.

The main objective of the Company's Remuneration Policy is the sustained creation of value for the Group and for the companies belonging to the group (hereinafter, the "Group") over time, ensuring the transparency and objectivity thereof. In this regard:

- The annual variable remuneration is aimed at the achievement of three financial targets linked to the Group's value in the short term.
- 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.

On the one hand, the goals set on an annual basis for Executive Directors are proposed by the Nomination and Compensation Committee. Furthermore, the level of performance of those goals is verified by the Nomination and Compensation Committee, the amounts being settled once the Group's consolidated financial statements have been audited by the external auditor and approved by the Company's General Shareholders' Meeting.

To ensure that the remuneration is appropriate and follows market criteria, the reality of the community and the market in which the Company operates, in the meeting held on 3 April 2019, the Nomination and Compensation Committee reviewed a benchmarking analysis on the remuneration of the boards of directors of listed companies, based on a study prepared by the human resources expert advisor, Spencer Stuart, as well as other remuneration studies prepared by expert advisors in human resources.

The contracts of the Executive Directors, in accordance with what is set out in the Remuneration Policy, include a claw-back clause that allows the Company to claim reimbursement of the variable components of the remuneration if it is found that the settlement and payment thereof was fully or partially based on false or inaccurate information or if risks or other circumstances arise that are unforeseen and have not been undertaken by the Company, which have a material negative effect on the income statement.

- Amount and nature of the fixed components that directors are expected to accrue during the year for their status as such.

The amount and nature of the fixed components of Directors' remuneration for their condition as such that are expected to be accrued in the current year are defined at the beginning of this section A1. These amounts are presented below in aggregate form:

- Fixed remuneration for Board of Directors membership: 800,000 euros per year.
- Fixed remuneration for Committee membership: 90,000 euros per year.
- Fixed remuneration for Chairing a Committee: 30,000 euros per year.

The total amount accrued in 2021 financial year for Directors due to their status as such will be 920,000 euros per year, the value of which is below the maximum limit of 1,050,000,000 euros per year established in the Remuneration Policy.

No other remuneration items or social benefits have been defined for Director for their condition as such.

- Amount and nature of the fixed components that will be accrued in the year for executive directors' performance of senior management duties.

The amount and nature of the fixed components of Executive Directors' remuneration that are expected to be accrued during the year are set out at the beginning of this section A1.

The total aggregate amount of the fixed components of the remuneration of Executive Directors expected to be accrued in 2021 financial year is 1,275,000 euros per year.

- The amount and nature of any component of remuneration in kind that will be accrued in the financial year including, but not limited to, the insurance premiums paid for the director.

No remuneration in kind is specified for Director status or for the Executive Chairman of the Company's Board of Directors.

The Executive Director of the Company has the following components of remuneration in kind:

- The sum of life insurance premiums is expected to amount in 2021 to approximately 13,000 euros per year.
- The sum of company cars is expected to amount in 2021 to approximately 7,000 euros per year.

- Amount and nature of the variable components, differentiating between those established in the short and long term. Financial and non-financial parameters, the latter including social, environmental and climate change parameters, selected to determine the variable remuneration in the current year, an explanation of the extent to which these parameters relate to the performance of both the director and the entity and to its risk profile, and the methodology, period required and techniques envisaged to determine, at the end of the year, the effective degree of

compliance with the parameters used to design the variable remuneration, explaining the criteria and factors applied as to the time required and the methods used to verify the actual fulfilment of the performance and any other conditions applicable to the accrual and consolidation of each variable remuneration component.

State the range, in monetary terms, of the different variable components according to the degree of compliance with the objectives and parameters set, and whether there is any maximum monetary amount in absolute terms.

**Amount and nature of variable components. Parameters selected to determine the variable remuneration in the current financial year.**

As set forth in the Remuneration Policy, it is only the Executive Directors' remuneration that includes items of a variable nature.

Variable remuneration for Executive Directors pursuits: : (i) to align part of their remuneration to specific and strategic goals 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.

No non-financial parameters are established as part of the variable remuneration of Executive Directors.

**Annual Variable Remuneration**

- The applicable variable remuneration for the Executive Chairman, D. Francisco José Riberas Mera, for the year 2021 is linked to three financial targets with different weightings: 65% linked to Groups consolidated EBITDA, 25% linked to Groups Working Capital and the remaining 10% linked to Group Capex, defined in the Budget of the year. The degree of fulfilment is calculated by comparing the actual value achieved during the year with the defined target. Remuneration is calculated by multiplying the annual target variable remuneration by the achieved weighted performance of the three targets defined. Maximum remuneration that might be paid is 120% of the target annual variable remuneration. Bellow 70% of performance in EBITDA target, 85% of performance in Working Capital and 80% of performance in Capex, no amount whatsoever is paid for such component.
- Only the Executive Chairman, Mr. Francisco José Riberas Mera, has a variable annual remuneration in his remuneration scheme. Such remuneration amounts to 306,000 euros per year on the basis of 100%



performance, as determined by the Board of Directors in its meeting held on 17 December 2020, on proposal of the Nomination and Compensation Committee.

#### **Pluriannual Variable Remuneration**

- The 2019-2021 long-term incentive scheme approved by the Board of Directors, at the proposal of the Nomination and Compensation Committee, in its meeting held on 16 December 2019, is aimed at the achievement of long-term objectives to promote the sustained creation of value for the Group over time and to increase the retention and motivation rates of key employees for the Company.
- The long-term incentive scheme applicable, among other Company's directors, to Mr. Francisco López Peña, Executive Director, is linked to the achievement by the end of the period of a financial and economic 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 be entitled to receive an amount in cash within the first six months of 2022, after the achievement of the financial target to which the Scheme is linked has been verified after the external audit, and the approval of the 2021 consolidated financial statements by the General Shareholders' Meeting.
- Group value creation is determined as the difference in the Group's value between the starting date and the ending date of the period, i.e. from 1 January 2019 to 31 December 2021. 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 incentive is paid, and if it falls between the minimum threshold (70%) and the maximum threshold (120%), the sum paid is based on the actual percentage attained. Beyond the maximum 120% threshold, 120% remuneration is given regardless of the resulting figure.
- In this regard, the multi-year variable remuneration for the Executive Director of the Company, D. Francisco López Peña, under the scheme with a performance percentage of 100% would be 3,000,000 euros.

However, as explained in section A.2, once the new Remuneration Policy is approved by the general Shareholders' Meeting in 2021, the Executive Director, Mr. Francisco López Peña, will be subject to the change of the long-term incentive scheme whose description is detailed in the aforementioned section.

**Necessary time and techniques envisaged to be able to determine, at the end of the financial year, the degree of compliance with the parameters used to design the variable remuneration.**

The goal attainment for the determination, by the Board of Directors, of the variable amounts to be paid to Executive Directors is assessed on an annual basis in the case of the variable annual remuneration and at the end of the accrual period in the case of the multi-year variable remuneration by the Nomination and Compensation Committee. Since both variable remuneration systems (annual and pluriannual remuneration) are linked exclusively to quantifiable financial and economic targets that are included in the Group's consolidated financial statements, the variable remuneration is paid after the financial statements have been externally audited and approved by the General Shareholders' Meeting.

- Main features of the long-term savings systems. Among other information, the following must be stated: any contingencies covered by the system, if it is a defined contribution or benefit system, the annual contribution to be made to defined contribution systems, the benefit to which the beneficiaries are entitled regarding defined benefit systems, the conditions of consolidation of the economic rights of the directors and their compatibility with any type of payment or compensation for dissolution or early termination, or deriving from the termination of the contractual relationship, under the terms envisaged, between the company and the director.

State whether the accrual or consolidation of any of the long-term savings schemes is linked to the achievement of certain targets or parameters related to the short and long-term performance of the director.

The Remuneration Policy does not provide for long-term savings systems for Director status or for Directors with executive duties.

- Any type of payment or compensation for dissolution or early termination or that deriving from the termination of the contractual relationship under the terms established between the company and the director, whether the termination is at the will of the company or of the director, as well as any type of agreed pacts, such as exclusivity, post-contractual non-compete and long-service or loyalty clauses, which give the director the right to any type of payment.

As of the reporting date, and during the current financial year there has been no payment or compensation for dissolution or early termination or that deriving from the termination of the contractual relationship under the terms established between the Company and the Director, or agreed pacts, such as exclusivity, post-contractual non-compete, long-service or loyalty clauses.

The contractual conditions established with regard this type of payment or compensation for dissolution in the contracts signed between the Company and the Executive Directors are set out in the following section.

- State 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, unless they have been explained in the previous section.

**Characteristics of the contract signed with Mr. Francisco José Riberas Mera, Executive Chairman:**

- **Term.** Indefinite.
- **Severance payment.** In case unilateral dismissal from his duties by the Company, which does not result from a severe negligent breach by the director. The Director shall be entitled to receive a gross severance payment equal to the sum of two years of fixed remuneration and variable remuneration at the valid rate at the time of dismissal.
- **Claw-back clause.** A clause that allows the Company to claim reimbursement of the variable components of the remuneration if it is found that the settlement and payment thereof was fully or partially based on false or inaccurate information or if risks or other circumstances arise that are unforeseen and have not been undertaken by the Company, which have a material negative effect on the income statement.

**Characteristics of the contract of Executive Director, Mr. Francisco López Peña:**

- **Term.** Definite. The contract became effective on 1 January 2021 and shall remain so until 31 December 2023.
- **Exclusivity.** Clause establishing the obligation of the Executive Director to provide his services to the Group companies with absolute and exclusive time dedication during the term of the Contract, unless express authorization.
- **Non-compete obligation.** Clause establishing the commitment of the

Executive Director, during the term of the Contract, not to carry out any activity that may involve competition with any Group company, either directly or indirectly, or through intervening individuals, companies or investments, or of any other kind.

- **Post-contractual non-compete agreement.** Clause whereby the Executive Director agrees, once the Contract is terminated, not to render any services, either directly or indirectly, on its own account or on behalf of third parties, if concurring or competing with the Company or Group companies. The agreement shall last for 1 year from contract termination, and the agreement-related compensation is included in the remuneration stipulated in the contract.
- **Severance payment.** Upon the (i) unilateral dismissal of the Executive Director, which does not result from his severe negligent breach, or (ii) resignation of the Executive Director as a result of a change of control at the Company, the Executive Director shall be entitled to a gross severance payment equal to the fixed remuneration effective at the time of dismissal or resignation, which he would have earned if continuing to act as Executive Director from the date of dismissal or resignation through the date of 31 December 2023, with a cap of two years his fixed remuneration.
- The he Executive Director shall be entitled to be compensated with two years his fixed remuneration under the contract if the two following conditions are met: (i) no incentive is accrued by virtue of the long-term incentive scheme of which the Executive Director is a beneficiary, and (ii) prior to 31 December 2023, he is dismissed or resigns from his duties as Executive Director as a result of a change of control at the Company.
- The compensation to be paid to the Executive Director by virtue of the contract shall not exceed two years his fixed remuneration as a whole.
- **Claw-back clause.** A clause that allows the Company to claim reimbursement of the variable components of the remuneration if it is found that the settlement and payment thereof was fully or partially based on false or inaccurate information or if risks or other circumstances arise that are unforeseen and have not been undertaken by the Company, which have a material negative effect on the income statement.

- The nature and estimated amount of any other supplementary remuneration that will be accrued by the directors in the current financial year in consideration for services rendered other than those inherent to their position.

The Remuneration Policy does not provide for any supplementary remuneration

as consideration for services rendered other than that inherent to their position for Directors in their condition as such or for Executive Directors.

- Other remuneration items such as those deriving, where applicable, from the company granting the director advances, loans and guarantees and other remuneration.

The Remuneration Policy does not consider the possibility of any type of loan, advance payment, guarantee or any other remuneration other than those expressly indicated in the Remuneration Policy as a form of remuneration for Directors and, therefore, it is not expected that any amount will be accrued in the current financial year for these items.

However, in 2016, prior to the approval of the aforementioned Policy, the Company offered certain key executives for the Group, including the Executive Director, the possibility of purchasing Company shares at market price. For this purpose, the Company offered loans to these executives at the legal interest rate for money, and consequently, this loan is not considered for any purpose to be part of the remuneration of the Company executives or directors.

- The nature and estimated amount of any supplementary remuneration envisaged and not included in the previous sections, whether paid by the entity or another group entity, which will be accrued by directors in the current financial year.

The Remuneration Policy does not provide for the accrual of any other supplementary remuneration not included in the previous sections for Directors due to their status as such or for Directors with executive duties.

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

- A new policy or a modification of the policy already approved by the Board.
- Significant changes in the specific decisions established by the Board for the current financial year of the remuneration policy in force with respect to those applied the previous year.
- Any proposals that the Board of Directors has agreed to submit to the General Shareholders' Meeting to which this annual report will be submitted and which are proposed for applicability in the current financial year.

The Board of Directors is expected to propose at the General Shareholders' Meeting the approval of a new Remuneration Policy, on proposal of the Nomination and Compensation Committee.

The new Remuneration Policy shall contain the new contractual conditions of the new commercial contract signed between the Company and the Executive Director, Mr. Francisco López Peña, as well as the amendment of the current long-term incentive scheme for the 2019 -2021 period, as approved by the Board of Directors, at the proposal of the Nomination and Compensation Committee, in its meeting held on 16 December 2019 (the "Scheme"). The proposed amendment is due to the consequences of the COVID-19 crisis on the Group economic situation during financial year 2020 and the economic prospects for the coming years.

The amendment of such Scheme was approved by the Board of Directors, as proposed by the Nomination and Compensation Committee, in its meeting of 29 October 2020, and consists mainly of a one-year extension of the metric measurement period, thus becoming the "2019-2022 Scheme", as well as the determination of new target values defined in the 2020-2025 Group Strategic Plan.

The aim of the Scheme, of which the Executive Director is a beneficiary –along with other members of the Management–, is to create value in the Group during said period. The Scheme is linked to the fulfilment of a strictly economic-financial target. If the target is met, the beneficiaries shall receive a cash sum within the first six months of 2023, after verification that the financial target to which the Scheme is linked has been achieved, following the external audit and approval by the General Shareholders' Meeting of the 2022 consolidated financial statements. The creation of value is determined 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 sum whatsoever will be paid, and if it falls between the minimum threshold (70%) and the maximum threshold (120%), the sum paid will depend on the actual percentage attained. Beyond the maximum 120% threshold, 120% remuneration will be given regardless of the resulting figure.

In this regard, the multi-year variable remuneration for the Executive Director, Mr. Francisco López Peña, under the Scheme, with a performance percentage of 100%, would be 3,000,000 euros.

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

<https://www.gestamp.com/HOME/Inversores-y-Accionistas/Gobierno-Corporativo/Consejo-de-Administracion/Politica-de-remuneraciones.aspx>

- A.4 Considering the data provided in section B.4, explain how the vote of the shareholders was taken into account at the general meeting at which the annual remuneration report for the previous year was put to a vote on an advisory basis.

The Ordinary General Shareholders' Meeting of the Company held on 25 June 2020 approved as a separate item on the agenda, on an advisory basis, and with 98.99% of votes in favour, the Annual Report on the Remuneration of Company Directors for financial year 2020. This agreement obtained only 0.76% votes against and 0.24% abstentions. This result allowed the Board of Directors to confirm that the Company's shareholders were aware of and in agreement with the Remuneration Policy applied during the year in question, all in line with the provisions of Article 529r of the Spanish Companies Act.

**B OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE PREVIOUS YEAR**

- B.1 Explain the process followed to apply the remuneration policy and determine the individual remuneration set out in section C of this report. This information shall include the role played by the remuneration committee, the decisions taken by the board of directors and, where applicable, the identity and role of the external advisors whose services have been used in the process of applying the remuneration policy during the previous financial year.

The process followed to apply the Remuneration Policy corresponding to the previous financial year and to determine the individual remunerations of the Directors has been as follows:

The Nomination and Compensation Committee, at its meeting of 16 December 2019, agreed to submit to the Board of Directors for its approval the amount of the fixed remuneration to be received by the Directors in their status as such;

thus, the remuneration of Directors in their status as such continue to be determined as in the previous financial year:

- Fixed remuneration for Board of Directors membership: 80,000 euros per year.
- Fixed remuneration for Committee membership: 15,000 euros per year.
- Fixed remuneration for chairing a Committee: 15,000 per year.

The overall remuneration thus determined for Directors in their status as such in the financial year 2020, was 920.000 euros per year and, therefore, under the maximum overall limit established in the current Remuneration Policy (1,050,000 euros per year).

It was also approved to keep the fixed and variable remuneration of the Executive Chairman, Mr. Francisco Riberas Mera, and the then CEO, Mr. Francisco López Peña, with full effect as from 1 January 2020. As a result of the foregoing, the expected remuneration of said Directors for the year ended was as follows:

- Executive Chairman:
  - Fixed annual remuneration: 714,000 euros per year.
  - Variable annual remuneration: 306,000 euros per year.
- CEO:
  - Fixed annual remuneration: 561,000 euros per year.
  - Variable annual remuneration: 255,000 euros per year.
  - Multi-year variable remuneration: 3,000,000.

However, after their fixed remuneration was set and as a result of the crisis caused by COVID-19 in 2020, the members of the Company's Board of Directors and the Group's executives decided to reduce their fixed remuneration as follows:

- Directors in their status as such: 15% reduction in the total remuneration (fixed remuneration) for the entire 2020 financial year.
- Executive Chairman of the Company: 50% reduction in the fixed remuneration for the entire 2020 financial year.
- CEO: 15% reduction in the fixed remuneration over the duration of the crisis, effectively taking place from May through October 2020, both inclusive.
- Senior Management: 15% reduction in the fixed remuneration over the duration of the crisis, effectively taking place from May through October 2020, both inclusive.



As a result of these reductions, the fixed remuneration of the members of the Board of Directors have been the following in the 2020 financial year.

- Director in their condition as such: An aggregate amount of 787,622 euros per year.
- Executive Chairman: 357,000 euros per year.
- CEO: 519,000 euros per year.

Furthermore, during its meeting held on 27 February 2020, the Nomination and Compensation Committee verified the degree of compliance with the variable remuneration component of the Executive Directors, as well as the outcome of such component. On that same date, the Board of Directors approved the related distribution. In this sense, for 2019 goals, the achievement rate was 81.1%. As a result, this performance level gave rise to the following amounts:

- Executive Chairman: 248,166 euros per year.
- CEO: 206,805 euros per year.

The amounts disclosed were paid after the external audit and the approval of the Group's consolidated financial statements at the General Shareholders' Meeting of the Company held on 25 June 2020.

At the end of financial year 2020, the Nomination and Compensation Committee, in its meeting of 17 December 2020, verified the compliance with the Remuneration Policy applied in 2020, considering the assessment agreed for 2020, as well as the reduction previously mentioned.

In February 2021, for the purpose of preparing the Group's financial statements, the Nomination and Compensation Committee will verify the degree of compliance with the variable remuneration component of the Executive Directors and its outcome, but payment will not be made until the Group's consolidated financial statements for fiscal year 2020 have been audited by the external auditor and approved at the General Shareholders' Meeting.

**B.2** Explain the different actions taken by the company in relation to the remuneration system and how they have helped to reduce exposure to excessive risks and to adapt it to the company's long-term goals, values and interests, including a reference to measures established to ensure that the company's long-term results are factored into the remuneration accrued and a balance is achieved between the fixed and variable remuneration components, what measures have been taken in relation to categories of employees that perform professional activities with material repercussions on the entity's risk profile and what measures have been taken aimed at preventing conflicts of interest, where applicable.

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 of the Management, in addition to fixed remuneration, consists of:

- Variable annual remuneration. Variable annual remuneration is subject to the fulfilment of three economic and financial goals related to the Group's value, which being recurring, prevents excessive risk-taking.
- 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. As it is a long-term target, risk taking is reduced.

Additionally, both systems are based on strictly objective criteria.

All of the targets set annually for the Executive Directors, as well as the levels of achievement thereof, are proposed by the Nomination and Compensation Committee and are not paid until the Group's consolidated financial statements have been audited by the external auditor and approved by the General Shareholders' Meeting of the Company.

The contracts of the directors with executive duties include a claw-back clause that allows the Company to claim reimbursement of the variable components of the remuneration if it is found that the settlement and payment thereof was fully or partially based on false or inaccurate information or if risks or other circumstances arise that are unforeseen and have not been undertaken by the Company, which have a material negative effect on the income statement.

**B.3 Explain how the remuneration accrued during the year complies with what is set out in the remuneration policy in force.**

Also report on the relationship between the remuneration received by directors and the entity's profits or other short- and long-term means of gauging performance, by explaining, where appropriate, how changes in the company's performance may have affected variations in director remuneration, including that accrued but where payment has been deferred, and how they contribute to the short- and long-term profit and loss of the company.

The Nomination and Compensation Committee, in its meeting of 17 December 2020, verified and confirmed the compliance with the Remuneration Policy applied in 2020, considering the abovementioned reduction of the Group's directors and executives remuneration as a result of the COVID-19 crisis.

As to the remuneration of Directors in their status as such, the following amounts were verified for financial year 2020, as agreed by the Board of Directors of 16 December 2019, considering the directors' remuneration reduction. Furthermore, it was verified that the amounts paid did not exceed the maximum annual amount of 1,050,000 euros per year defined in the effective Remuneration Policy. Amounts accrued and paid according to the position held are the following:

- Fixed remuneration for Board of Directors membership: 685,622 euros per year.
- Fixed remuneration for Committee membership: 76,500 euros per year.
- Fixed remuneration for chairing a Committee: 25,500 euros per year.

There are no other remuneration items or social benefits for Directors in their status as such.

The remuneration obtained by Directors in their status as such is not linked to the achievement of results or other measures of performance.

Similarly, with respect to the fixed remuneration of Executive Directors, the Nomination and Compensation Committee in its meeting of 17 December 2020 concluded, that it complied with the Remuneration Policy and the assessment agreed upon by the Board of Directors, as proposed by the Nomination and Compensation Committee, in its meeting of 16 December 2019, for financial year 2020, considering the remuneration reduction of directors as a result of the exception situation generated by COVID-19.

The amount and nature of the fixed components of Executive Directors' remuneration that are accrued in 2020 were as follows:

- Fixed remuneration of the Executive Chairman of the Board of Directors: 357,000 euros per year.
- Fixed remuneration of the CEO: 518,925 euros per year.

As regards the variable annual remuneration of Executive Directors, the variations in the Company's performance as a result of the COVID-19 crisis have affected the

variable remuneration significantly insofar as this remuneration is based on objective economic and financial criteria in view of the Group's EBITDA and debt levels and, therefore, any variation in the Company's earnings will have a direct impact on such remuneration.

The degree of achievement of the targets is estimated at 72.4% for 2020 after the 2020 consolidated financial statements are audited by the external auditor and approved by the General Shareholders' Meeting of the Company, which will, in turn, lead to the following amounts:

- The variable annual remuneration of the Executive Chairman of the Board of Directors would be 221,544 euros per year.
- The variable annual remuneration of the CEO would be 184,620 euros per year.

In February, the Nomination and Compensation Committee will verify the compliance with the Remuneration Policy in terms of the annual variable remuneration of Executive Directors, once the consolidated financial statements for financial year 2020 have been drawn up.

**B.4 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 cast, if any**

	Number	% of total
Votes cast	486,901,864	84.61%

	Number	% of votes cast
Votes against	3,712,021	0.76
Votes in favour	482,006,732	99.00
Abstentions	1,183,111	0.24

Remarks

**B.5 Explain how the fixed components accrued during the year by directors for their status as such were determined and how they varied with regards to the previous year**

Directors' remuneration for their status as such exclusively consists of fixed remuneration for belonging to the Board of Directors and for chairing and/or belonging to any of its Committees, as established in the Remuneration Policy. No other fixed

or variable component is included in the remuneration of Directors for their status as such. Said remuneration for the financial year 2020, was set by the Board of Directors at its meeting on 16 December 2019, on the proposal of the Nomination and Compensation Committee, agreeing to maintain the same amounts as in the previous financial year, as explained in section B.1. Subsequently, as a result of the COVID-19 crisis, the members of the Board of Directors decided to reduce by 15% the fixed remuneration of Directors in their status as such during the 2020 financial year.

B.6 Explain how the salaries accrued during the previous year by each of the executive directors for the performance of their managerial roles were determined and how they varied with regards to the previous year.

The remuneration of Executive Directors for financial year 2020 was established by the Board of Directors in its meeting held on 16 December 2019, on proposal of the Nomination and Remuneration Committee. In such meeting, it was agreed to keep the remuneration earned by Executive Directors in financial year 2019. Subsequently, as a result of the COVID-19 crisis, the members of the Board of Directors decided to reduce the fixed remuneration of the Executive Chairman of the Board by 50% during the 2020 financial year, and by 15% reduction the remuneration of the CEO during part of the 2020 (finally, from May to October, both inclusive). The remuneration of the Executive Directors for the 2020 financial year has, therefore, been the following:

- Executive Chairman:
  - Fixed annual remuneration: initially determined at 714,000 euros per year and finally set at 357,000 euros per year.
  - Annual variable remuneration: 306,000 euros.
- CEO:
  - Fixed annual remuneration: initially determined at 561,000 euros per year and finally set at 518,925 euros per year.).
  - Annual variable remuneration: 255,000 euros.
  - Multi-year variable remuneration: 3,000,000 euros.

B.7 Explain the nature and main features of the variable components of the remuneration systems accrued in the previous financial year.

In particular:

- Identify each of the remuneration schemes that determined the different variable remunerations accrued by each of the directors during the previous year, including information on their scope, date of approval, date of implementation, consolidation conditions, accrual periods and validity, criteria used to assess performance and how this has impacted on the

determining the variable amount accrued, as well as the measurement criteria used and the period required to be able to adequately measure all of the conditions and criteria stipulated explaining in detail the criteria and factors applied in relation to the time required and the methods to verify whether performance or other conditions related to the accrual and consolidation of each variation remuneration component have been met effectively..

- In the case of schemes involving share options or other financial instruments, the scheme's general features shall include information on the conditions for both acquiring unconditional ownership (consolidation) and for exercising these options or financial instruments, including the price and term for exercising them.
- All directors, and their status (Executive Directors, External Proprietary Directors, Independent External Directors or other External Directors), who are beneficiaries of remuneration systems or schemes involving variable remuneration.
- Where applicable, report on the terms established for accrual, consolidation or deferment of consolidated amount payments applied and/or the withholding/non-disposal periods concerning shares or other financial instruments, should they exist..

<b>Explain the short-term variable components of the remuneration systems</b>
<p>As set forth in the Remuneration Policy, it is only the remuneration of Executive Directors that includes items of a variable nature.</p> <p>The aim of the variable remuneration for Executive Directors 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.</p> <p>The Nomination and Compensation Committee assesses the achievement of goals to determine the variable amounts to be paid to executive Directors. Once the amount is determined, it is distributed by the Board of Directors. Since both the variable annual remuneration and the multiannual variable remuneration are variable remuneration systems tied to the achievement of quantifiable financial and economic targets that are included in the Group's consolidated financial statements, the assessment process is carried out after the financial statements have been audited by the external auditor and approved by the General Shareholders' Meeting.</p>

On 27 February 2020, the Board of Directors, as proposed by the Nomination and Compensation Committee, approved the amendment of the goal structure related to variable annual remuneration, so as to align it with the Group's free cash flow goals (reduction in working capital and capital investments). In this sense, the variable annual remuneration of Chief Executive Officers is tied to the achievement of three economic and financial goals with different weighing levels: 65% linked to consolidated EBITDA, 25% linked to working capital and the remaining 10%, to capital investments (CAPEX), as set out in the annual budget. The degree of fulfilment is calculated by comparing the actual value attained during the year with the target value defined in the annual budget. 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 each goal and their relative weight. The maximum remuneration to be earned is 120% of the target variable annual remuneration. Under 70% of achievement of the EBITDA goal, 85% of achievement of the working capital goal and 80% of achievement of the capital investment goal, the remuneration defined for the component in question would not be earned.

The variable annual remuneration of the Executive Chairman of the Board of Directors has been in 2020 306,000 euros, and that of the then CEO of the Group has been 255,000 euros, in accordance with the Remuneration Policy approved by the Ordinary General Shareholders' Meeting of 20 June 2020.

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

On 16 December 2019, the Board of Directors, as proposed by the Nomination and Compensation Committee, approved the creation of a new long-term incentive scheme for the 2019-2021 period in favour of the same beneficiaries of the previous Scheme (2016-2020 long-term incentive scheme), including the then CEO of the Group, whose voluntary incorporation abrogated the previous Scheme.

The aim of the new Scheme for 2019 and 2021, of which the Executive Director, Mr. Francisco López Peña, is a beneficiary –along with other Company directors –, is to create value in the Group during said period. The Scheme is linked to the fulfilment of a strictly economic-financial target. If the target is met, the beneficiaries shall receive an amount in cash within the first six months of 2022, after verification that the financial target to which the Scheme is linked has been achieved, following the external audit and approval by the General Shareholders' Meeting of the 2021 consolidated financial statements. The creation of value is determined 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 sum whatsoever will be paid, and if it falls between the minimum threshold (70%) and the maximum threshold (120%), the sum paid will depend on the actual percentage attained. Beyond the maximum 120% threshold, 120% remuneration will be given regardless of the resulting figure.

In this regard, the multiannual variable remuneration for the Chief Executive Officer, Mr. Francisco López Peña, under the Scheme, with a performance percentage of 100%, would be 3,000,000 euros.

- B.8 State whether certain variable components have been reduced or claimed back when, in the first case, payment has been consolidated and deferred or, in the second case, consolidated and paid, on the basis of data which has subsequently been proven to be manifestly inaccurate. Describe the amounts reduced or refunded by applying the clawback clauses, why they were executed, and the years to which they relate.

As established in the Remuneration Policy, the contracts signed between the Company and the Executive Directors include a claw-back clause. However, to date there has been no reduction or claim for the return of variable components, since the cases for the application of the claw-back clause have not been occurred (it has not been shown that the settlement and payment of these variable components has taken place totally or partially on the basis of false or inaccurate information, nor have risks or other circumstances not foreseen or undertaken by the Company arisen, which have a material negative effect on the income statements).

- B.9 Explain the main features of the long-term savings systems whose sum or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefits, partially or wholly funded by the company, whether provided internally or externally, indicating the type of scheme, whether it is a defined contribution or defined benefit scheme, the contingencies it covers, the consolidation conditions of the financial rights to which Directors are entitled and their compatibility with any type of compensation for early dissolution or termination of the contractual relationship between the company and the Director.

The Remuneration Policy does not provide for long-term savings systems for Director status or for Executive Directors.

- B.10 Explain, where applicable, the compensation or any other type of payment arising from early termination, whether at the will of the company or of the director, or from the termination of the contract, under the terms provided therein, accrued and/or received by the directors in the previous financial year.



On March 31, Mr. Shinichi Hori and Mr. Katsutoshi Yokoi were voluntarily resigned as Proprietary Directors. Their early voluntary resignation does not entitle any compensation or any other type of payment.

On the other hand, on 5 November 2020, the Board of Directors was notified about the voluntary resignation of Mr. Francisco López Peña as the CEO of the Company, effective 1 January 2021, holding as from that date the condition of Executive Director. During the same meeting, the commercial contract signed between the Company and Mr. Francisco López Peña was declared terminated as from January 1, 2021, the latter waiving any severance payment arising therefrom, and a new commercial contract was approved for the performance of his new executive duties, subject to the previous proposal of the Nomination and Compensation Committee, the conditions of which have been disclosed in the relevant section of this report.

In this sense, during the current financial year, there has been no payment or compensation for dissolution or early termination or that deriving from the termination of the contractual relationship in relation to any member of the Board of Directors.

B.11 State whether there have been any significant changes in the contracts of those performing senior management duties as executive directors and, where applicable, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless they have already been explained in section A.1.

As already indicated in this report, on 5 November 2020, the Board of Directors was notified about the voluntary resignation of Mr. Francisco López Peña as the CEO of the Company, effective from 1 January 2021, holding as from that date the condition of Executive Director of the Company. On that same meeting, the new commercial contract was approved for the performance of his new executive duties, subject to the previous proposal of the Nomination and Compensation Committee, as detailed in section A.1 hereof.

The main amendments of the contract signed between the Executive Director, Mr. Francisco López Peña, and the Company, effective 1 January 2021 (new contract), in relation to the contract signed as CEO from 2018 (previous contract), are detailed below:

- **Duties.** The new contract sets forth the new executive duties, which are more limited than his previous duties as CEO. Specifically, Mr. Francisco López Peña will lead the overall management of certain Group business activities, such as: (i)

Research and development of Body-in-White components, (ii) Tooling production units and industrial equipment units, (iii) Corporate development: merger analysis and execution; corporate acquisitions, alliances or divestments, (iv) Joint venture management and relationships with partners.

- **Term.** The new contract has a definite term (to December 31, 2023) while the previous contract was indefinite.
- **Remuneration:** As a result of the new duties, there is also a change in remuneration amounts, as detailed below:
  - The **fixed remuneration** for his new duties amounts to 300,000 euros per year. The remuneration established in the previous contract for his duties as CEO of the Group was 561,000 euros per year.
  - **Short-term variable remuneration:** No variable annual remuneration is defined in the new contract of the executive Director. The variable annual remuneration defined in the previous contract amounted to 255,000 euros per year.
  - **Long-term variable remuneration:** The long-term variable remuneration remains at 3,000,000 euros for a 100% fulfilment of defined goals.
- **Post-contractual non-compete clause.** The remuneration paid to the Executive Director as a result of assuming a post-contractual non-compete obligation is deemed to be included in his current remuneration. In the previous contract, the remuneration arising from the post-contractual non-compete clause was one year of fixed remuneration.
- **Severance payment clause:** As stipulated in the new contract:
  - In case of unilateral dismissal of the Executive Director by the Company before 31 December 2023, which does not result from his severe negligent breach, he shall be entitled to a gross severance payment equal to the fixed remuneration effective at the time of dismissal, which he would have earned if continuing to act as Executive Director from the date of dismissal through 31 December 2023, with a cap of two years of his fixed remuneration.
  - The Executive Director shall be entitled to be compensated with two years his fixed remuneration under the contract if the two following conditions are reported: (i) no remuneration is accrued by virtue of the long-term incentive scheme of which the Executive Director is a beneficiary, and (ii) prior to 31 December 2023, he is dismissed or resigns from his duties as a result of a change of control at the Company.

The compensation to be paid to the Executive Director by virtue of the current contract shall not exceed two years his fixed remuneration as a whole

- The previous contract stipulated a gross severance payment equal to two years his fixed remuneration and the variable annual remuneration

effective upon the dismissal.

- **Resignation due to the change of control at the Company.** In the event of resignation of the executive Director as a result of a change of control at the Company, the new contract acknowledges the right to a severance payment that is identical to the severance payment clause previously described. The previous contract did not stipulate any right under a change of control of the Company.

B.12 Explain any supplementary remuneration accrued by the directors 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.

B.13 State any remuneration arising from advances, loans and guarantees granted, indicating the interest rate, essential features and amounts potentially repaid, as well as the obligations undertaken on account thereof in relation to guarantees.

The Remuneration Policy does not include any remuneration arising from Directors being granted any type of loan, advance or guarantee.

In 2016, the Company offered certain key executives for the Group, including the Board member Mr. Francisco López Peña, the possibility of buying Company shares at market price. For this purpose, the Company offered these Executives (among them, Mr. Francisco López Peña ) a loan at the legal interest rate for money, and consequently, this loan is not considered for any purpose to be part of the remuneration of the Executives benefiting therefrom.

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

The Remuneration Policy does not provide for any remuneration in kind for Director status.

With regard to Executive Directors, D. Francisco López Peña, has a company vehicle and life insurance, in accordance with the policy established for employees who form part of the Group's corporate services and with what is set out in the Remuneration Policy. The amounts accrued are as follows:

- Life insurance premiums amounting to 13,078 euros.
- Company car amounting to 6,969 euros.

With respect to the Executive Chairman of the Board of Directors, the Remuneration Policy does not provide for any remuneration in kind.

B.15 State the remuneration accrued by the director pursuant to 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.

On 23 December 2016, the Company's significant shareholder, Acek Desarrollo y Gestión Industrial, S.L., signed an agreement with Mitsui & Co., Ltd, among 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 propose two Directors on the Company's Board of Directors.

The remuneration accrued by the members of the Board of Directors appointed by the General Shareholders' Meeting on the proposal of Acek Desarrollo y Gestión Industrial, S.L., in compliance with the aforementioned shareholders' agreement – namely, Mr. Shinichi Hori, Mr. Katsutoshi Yokoi (whose resignations occurred on 31 March de 2020) and Mr. Norimichi Hatayama and Mr. Tomofumi Osaki (whose appointments took place on 2 April 2020)–, totalled 141,622 euros during financial year 2020 and were paid, at their explicit requests, into an account belonging to Mitsui & Co., Ltd.

B.16 Explain any other remuneration items other than 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.

As of the reporting date, there are no remuneration items other than those indicated above for the Company's Directors that were accrued during the previous financial year.

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**C DETAILED INFORMATION ON THE INDIVIDUAL REMUNERATION RELATING TO EACH OF THE DIRECTORS**

<i>Name</i>	<i>Type</i>	<i>Accrual period: 2018 financial year</i>
FRANCISCO JOSÉ RIBERAS MERA	Executive Chairman	From 01/01/2020 to 31/12/2020
FRANCISCO LÓPEZ PEÑA	Executive	From 01/01/2020 to 31/12/2020
ALBERTO RODRÍGUEZ-FRAILE DÍAZ	Independent Director	From 01/01/2020 to 31/12/2020
ANA GARCÍA FAU	Independent Director	From 01/01/2020 to 31/12/2020
CÉSAR CERNUDA REGO	Independent Director	From 01/01/2020 to 31/12/2020
PEDRO SAINZ DE BARANDA	Independent Director	From 01/01/2020 to 31/12/2020
JAVIER RODRÍGUEZ PELLITERO	Independent Director	From 01/01/2020 to 31/12/2020
CONCEPCIÓN RIVERO BERMEJO	Independent Director	From 01/01/2020 to 31/12/2020
GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	Other-external Director	From 01/01/2020 to 31/12/2020
NORIMICHI HATAYAMA	Proprietary Director	From 02/04/2020 to 31/12/2020
JUAN MARÍA RIBERAS MERA	Proprietary Director	From 01/01/2020 to 31/12/2020
TOMOFUMI OSAKI	Proprietary Director	From 02/04/2020 to 31/12/2020
SHINICHI HORI	Proprietary Director	From 01/01/2020 to 31/03/2020
KATSUTOSHI YOKOI	Proprietary Director	From 01/01/2020 to 31/03/2020

C.1 Complete the following tables on the individual remuneration for each of the directors (including remuneration for performing executive duties) accrued during the year.

a) **Remuneration from the company issuing this report:**

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

Name	Fixed remuneration	Attendance fees	Remuneration for membership on board committees	Salaries	Short-term variable remuneration	Long-term variable remuneration	Severance payments	Other items	Total year t	Total year t – 1
FRANCISCO JOSÉ RIBERAS MERA	0	0	0	357	222	0	0	0	579	974
FRANCISCO LÓPEZ PEÑA	0	0	0	519	185	0	0	20	724	793
ALBERTO RODRÍGUEZ-FRAILE DÍAZ	68	0	26	0	0	0	0	0	94	110
ANA GARCÍA FAU	68	0	13	0	0	0	0	0	81	95
CÉSAR CERNUDA REGO	68	0	0	0	0	0	0	0	68	80
PEDRO SAINZ DE BARANDA	68	0	13	0	0	0	0	0	81	95
JAVIER RODRÍGUEZ PELLITERO	68	0	26	0	0	0	0	0	94	110
CONCEPCIÓN RIVERO BERMEJO	68	0	0	0	0	0	0	0	68	34
GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	68	0	13	0	0	0	0	0	81	95
NORIMICHI HATAYAMA	51	0	0	0	0	0	0	0	51	0
JUAN MARÍA RIBERAS MERA	68	0	13	0	0	0	0	0	81	95
TOMOFUMI OSAKI	51	0	0	0	0	0	0	0	51	20
SHINICHI HORI	20	0	0	0	0	0	0	0	20	80
KATSUTOSHI YOKOI	20	0	0	0	0	0	0	0	20	59

**Remarks**

Mr. Shinichi Hoy and Mr. Katsutoshi Yokoi ceased to be members of the Company's Board of Directors on 31 March 2020.

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Mr. Norimichi Hatayama and Mr. Tomofumi Osaki were appointed members of the Company's Board of Directors on 1 April 2020. Moreover, D. Tomofumi Osaki was member of the Board of Directors during the 2019 financial year, until April 04, of 2019.

**ii) Table showing activity in share-based remuneration systems and gross profit from consolidated shares or financial instruments**

Name	Scheme name	Financial Instruments at beginning of year t		Financial Instruments granted during year t		Financial instruments consolidated during the year				Mature instruments not exercised	Financial instruments at end of year t	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/consolidated shares	Price of consolidated shares	Gross profit from consolidated shares or financial instruments (thousands of €)	No. of instruments	No. of instruments	No. of equivalent shares
Director 1	Scheme 1											
	Scheme 2											

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<b>Remarks</b>

**iii) Long-term savings systems**

	<b>Remuneration for consolidation of rights in savings systems</b>
<b>Director 1</b>	

Name	Company's contribution for the year (thousands of €)				Amount of accumulated funds (thousands of €)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Year t		Year t-1	
	Year t	Year t-1	Year t	Year t-1	Systems with consolidated economic rights	Systems with unconsolidated economic rights	Systems with consolidated economic rights	Systems with unconsolidated economic rights
	<b>Director 1</b>							

<b>Remarks</b>

**iv) Details of other items**



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Name	Item	Remuneration Amount
Director 1		

Remarks

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

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

Name	Fixed remuneration	Attendance fees	Remuneration for membership on board committees	Salaries	Short-term variable remuneration	Long-term variable remuneration	Severance payments	Other items	Total for the year 2018	Total for the year 2017
Director 1										
Director 2										

Remarks

**ii) Table showing activity in share-based remuneration systems and gross profit from consolidated shares or financial instruments**

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Name	Scheme name	Financial instruments at beginning of year t		Financial Instruments granted during year t		Financial instruments consolidated during the year				Mature instruments not exercised	Financial instruments at end of year t	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/consolidated shares	Price of consolidated shares	Gross profit from consolidated shares or financial instruments (thousands of €)	No. of instruments	No. of instruments	No. of equivalent shares
Director 1	Scheme 1											
	Scheme 2											
Remarks												

iii) Long-term savings systems

	Remuneration for consolidation of rights in savings systems
Director 1	

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Name	Company's contribution for the year (thousands of €)				Amount of accumulated funds (thousands of €)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights					
	Year t	Year t-1	Year t	Year t-1	Year t		Year t-1	
					Systems with consolidated economic rights	Systems with unconsolidated economic rights	Systems with consolidated economic rights	Systems with unconsolidated economic rights
<b>Director I</b>								

<b>Remarks</b>

**iv) Details of other items**

Name	Item	Remuneration Amount
<b>Director I</b>		

<b>Remarks</b>

**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.

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Name/Type	Remuneration accrued at the Company					Remuneration accrued at Group companies				
	Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration for savings systems	Remuneration for other items	Total year t company	Total cash remuneration	Gross profit from consolidated shares or financial instruments	Remuneration for savings systems	Remuneration for other items	Total year t company
FRANCISCO JOSÉ RIBERAS MERA	579	0	0	0	579	0	0	0	0	0
FRANCISCO LÓPEZ PEÑA	724	0	0	0	724	0	0	0	0	0
ALBERTO RODRÍGUEZ-FRAILE DÍAZ	94	0	0	0	94	0	0	0	0	0
ANA GARCÍA FAU	81	0	0	0	81	0	0	0	0	0
CÉSAR CERNUDA REGO	68	0	0	0	68	0	0	0	0	0
PEDRO SAINZ DE BARANDA	81	0	0	0	81	0	0	0	0	0
JAVIER RODRÍGUEZ PELLITERO	94	0	0	0	94	0	0	0	0	0
CONCEPCIÓN RIVERO BERMEJO	68	0	0	0	68	0	0	0	0	0
GONZALO URQUIJO FERNÁNDEZ DE ARAOZ	81	0	0	0	81	0	0	0	0	0
NORIMICHI HATAYAMA	51	0	0	0	51	0	0	0	0	0
JUAN MARÍA RIBERAS MERA	81	0	0	0	81	0	0	0	0	0
TOMOFUMI OSAKI	51	0	0	0	51	0	0	0	0	0
SHINICHI HORI	20	0	0	0	20	0	0	0	0	0
KATSUTOSHI YOKOI	20	0	0	0	20	0	0	0	0	0

Remarks

*This document is a translation into English of an original document drafted in Spanish. This translation is for information purposes only, therefore, in case of discrepancy, the Spanish version shall prevail.*



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**D OTHER INFORMATION OF INTEREST**

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 here briefly.

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This annual report on remuneration was approved by the Company's Board of Directors at its meeting held on 24 February 2021.

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

Yes  No

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