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**DIRECTORS' REMUNERATION POLICY OF PROMOTORA DE INFORMACIONES, S.A. FOR
FISCAL YEARS 2022, 2023 AND 2024**

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1. INTRODUCTION

In accordance with the provisions of article 529 *novodecies* of the consolidated Spanish Capital Companies Law, approved by Legislative Royal Decree 1/2010 of July 2, 2010 (the "**LSC**"), the Shareholders' Meeting must approve the directors' remuneration policy, as a separate item on the agenda.

At the Ordinary Shareholders Meeting of Promotora de Informaciones, S.A. ("**PRISA**" or the "**Company**") held on 29 June 2021, the Remuneration Policy for directors was approved for the fiscal years 2021, 2022 and 2023 ("**2021/2023 Remuneration Policy**").

This document contains the directors' remuneration for Company directors, applicable for the remainder of 2022 and for 2023 and 2024, submitted for approval at the Ordinary General Shareholders' Meeting called for June 28 and 29, 2022, on first and second call, respectively (the "**Remuneration Policy**").

The Remuneration Policy is accompanied by a justifying report from the Appointments, Remuneration and Corporate Governance Committee ("**CNRGC**") and a reasoned proposal from the Company's Board of Directors, in accordance with article 529 *novodecies* of the LSC. Both documents will be made available to the shareholders on the Company's website as from the date of publication of the call notice of the aforementioned General Shareholders' Meeting.

2. INTERNAL PROCEDURE FOR DETERMINING THE REMUNERATION POLICY FOR DIRECTORS

This Remuneration Policy has been drafted and approved by the Board of Directors of PRISA, on the proposal of the CNRGC.

In accordance with the Company's Board of Directors Regulations, the Board of Directors is responsible for the decisions relating to the remuneration of directors, within the framework of the Articles of Association and the remuneration policy approved by the General Meeting.

The CNRGC is responsible for the following: (i) for proposing to the Board of Directors the remuneration policy for directors, as well as individual compensation and all contractual conditions for executive directors, (ii) for ensuring compliance with and periodically reviewing the remuneration policy applied to directors, and guaranteeing that their individual remuneration is proportional to their duties and dedication and to the remuneration of the Company's other directors and senior executives; and (iii) for informing the Board on any proposals relating to the terms of the variable remuneration of executive directors, as well as other incentive plans for them; and where necessary, verifying the level of compliance with the objectives to which they are subject.

In preparing this Remuneration Policy, the CNRGC and the Board of Directors have taken into account the remuneration schemes of comparable companies and the employment conditions of the Group's workers.

In the process of preparing, reviewing and applying the current Remuneration Policy, at any time the appropriate management of any possible conflict of interests is guaranteed. In that regard:

- i. When adopting its decisions concerning the Remuneration Policy (whether it be proposing a new policy or amending a current one), the CNRGC has the appropriate composition and working rules to avoid generating situations involving conflicts of interests. The majority of CNRGC members are independent directors, no executive director is a member of the committee, and assistance from an independent outside expert is requested when deemed necessary.
- ii. The structure of directors' remuneration to compensate the performance of their executive functions follows a system for key Group executives (which is completely different from the composition and procedures of the CNRGC), thus guaranteeing that there can be no possible influence of executive directors in determining remuneration policies.
- iii. The CNRGC conducts an annual review of the implementation of the current policy and compliance with the budgets earmarked for paying the executive directors' variable compensation, reporting in that regard to the Board of Directors.
- iv. Executive directors do not participate in deliberations and discussions of the resolutions that the Board of Directors adopts in the application of the remuneration policy.

The foregoing measures greatly minimize any possible incident involving a conflict of interest within the framework of determining, reviewing and applying the current remuneration policy at any time.

3. VALIDITY PERIOD

In accordance with article 529 novodecies of the LCS, the Remuneration Policy will be valid from the date on which it is approved at the Ordinary Shareholders Meeting and for a maximum term of three years (2022-2024). Consequently, a new remuneration policy shall be submitted to the General Meeting, which will be applied from 2025, inclusive.

Also, any amendment to or replacement of the Remuneration Policy during that validity period will require prior approval from the Shareholders' Meeting of the Company in accordance with applicable Law.

With respect to the fiscal year 2022, and since its approval by the General Shareholders Meeting, this Remuneration Policy substitutes and replaces the text of the Directors' Remuneration Policy 2021/2023.

Notwithstanding the above, all the remuneration paid to the directors or former directors under the Remuneration Policy for 2021/2023 shall be valid, and the approval of this Remuneration

Policy shall not represent a modification of the amounts already accrued under the previous policy.

4. PRINCIPLES AND FUNDAMENTALS

The remuneration for the members of the Board of Directors is determined in accordance with that established in the Articles of Association, in the Board of Directors Regulations and in the resolutions adopted by the Shareholders' Meeting.

The fundamentals of the Remuneration Policy for PRISA's directors, in their capacity as such and for discharging their executive duties, where applicable, consider the general principle that the directors' remuneration must be essential to attract, retain and motivate directors with an outstanding and appropriate professional profile so that they can contribute to the strategic objectives of the group of which PRISA is the parent company (the "**Group**").

Although this Policy continues to apply the principles set forth in the 2021/2022 Remuneration Policy, it includes several adjustments that better align it with our interest groups, particularly shareholders, and with Group strategy. In particular, the Remuneration Policy is based on the following principles:

- i. Moderation and adaptation to the best market practices: PRISA's aim is for the remuneration of directors to be moderate and to comply with market trends and references in relation to remuneration in the Company's sector of business or at companies that are comparable in size, activity or structure, so that they are in-keeping with the best market practices.
- ii. Proportionality: The remuneration of non-executive directors and, in particular, independent directors, must reflect the effective dedication, qualification and responsibility required by the post, but must not be so high as to compromise the director's independence of mind. This is achieved through a fixed annual sum paid totally in cash and prorated monthly.
- iii. The Company's long-term sustainability: the directors' remuneration envisaged in this Policy maintains a reasonable proportion with the Company's relevance, its current economic and financial situation and with the market standards at comparable companies. Also, the remuneration system seeks to promote the Company's long-term profitability and sustainability and includes the necessary safeguards to prevent excessive risk-taking and the rewarding of poor results.
- iv. The directors' remuneration for discharging executive duties shall be based on the following criteria:
 - (a) it must motivate them to remain at the company and guide their management with exigency and special focus on the long term, and it must be reasonably linked to the performance of the stock market price in that time period;
 - (b) it must reflect the Company's current situation, perspectives and aims of sustainable growth;

- (c) it must include fixed and variable components, with an annual or multi-year scope, as appropriate, in cash and in kind, and in elements indexed to share value, or the value of the Group's businesses; determined according to the following criteria, in order for the weighting of the different remuneration components to be in line with market practices:
- it must keep fixed remuneration at moderate levels and not be modified during the term of the Policy, unless specific circumstances arise rendering it advisable to review and, thus, amend the present Policy.
 - variable remuneration must represent an important part of total remuneration and that the medium-term remuneration must have a significant weight.
 - the variable remuneration components are linked to the achievement of predetermined objectives established by the Board of Directors in application of the metrics set forth in this Policy, the majority of which are specific and quantifiable, are coherent with the Company's circumstances, are aligned with the Company's interests and business strategy, and contribute to stimulating compliance with the strategic plan and the Company's long-term sustainability, reinforcing continuity in the Group's competitive development.
 - share-based remuneration, or remuneration indexed to the value of the Group's businesses, must also be significant, without constituting the sole criteria for defining variable remuneration.
 - the variable remuneration must be partially received over time.
- (d) a clause must be included in the respective contracts which enables the Company to claim the reimbursement of any variable remuneration paid in the event that it is subsequently objectively proven that it was determined based on incorrect or inaccurate data.
- v. Conditions of remuneration of employees as a group and of the management team: In drafting the Remuneration Policy and determining the remuneration scheme and the rest of the remuneration terms and conditions of the directors and senior management, the Board of Directors has paid particular attention to the employment conditions in the Company and the Group.

In this respect, the Remuneration Policy is aligned with that of the rest of the Group's employees in Spain, both with respect to the principles that inspire it and in relation to the main components of the remuneration.

Moreover, with the aim of contributing to the maintenance of a proportional and balanced remuneration structure, the Board of Directors has worked with the aim of ensuring that the relation between the average remuneration of the directors and senior management and that of employees in Spain (counting 2,326 employees) should be reasonable, given the Company's situation and that of the sectors in which it operates, as

well as market practice and that of other comparable education and media groups. In particular, the aim has been that the average remuneration of senior executives (counting six executives, and not taking into account the two executive directors) should not be more than 4.9 times the average salary of the workforce in Spain; that the average remuneration of the external directors (considering 12 external directors, including the chairman) should not represent more than 2.7 times the average salary of the workforce in Spain; and that the remuneration of the two executive directors should not represent more than 10.3 times the average salary of the workforce in Spain.

vi. Restrictions for the transfer of the shares that the directors may receive as part of their remuneration:

- (a) Non-executive directors who receive shares in payment for their fixed remuneration have the obligation to maintain the ownership of those shares until they resign or are removed from the post of director.
- (b) Moreover, the executive directors who receive shares in payment for their remuneration may not transfer them for at least three years since their allocation. These restrictions will not apply if the director holds, at the time of the transfer or exercise, a net economic exposure to the variation of the share price for a market value equivalent to an amount of at least twice his or her fixed annual compensation through shares, stock options or other financial instruments. These restrictions will also not apply in case of death of the executive director or termination of the executive director's contract: (i) on the grounds of a serious and willful breach of the obligations set forth in the contract by the company which is a party to the contract; (ii) at the discretion of the company which is a party to the contract, without a breach of the responsibilities or obligations of the executive director; and (iii) at the executive director's discretion following a change of control.

This will not apply to any shares that the director must dispose of to defray the costs and taxes related to their acquisition or, following a favorable report from the CNRGC, to address extraordinary situations that requires it.

5. MAXIMUM AMOUNT OF DIRECTORS' REMUNERATION

The maximum amount of the remuneration that the Company may pay to all directors each year will be the sum of:

- a) The maximum annual total of 2,000,000 euros, to which the remuneration payable to the directors in their capacity as such may amount (for the items stipulated in sections **¡Error! No se encuentra el origen de la referencia., ¡Error! No se encuentra el origen de la referencia., ¡Error! No se encuentra el origen de la referencia.** and 6.2.4 below).
- b) The amounts for the items mentioned in section 7 below, which relate to the remuneration for executive responsibilities performed by the executive directors (including the amount to which they would be entitled in the event they cease in their duties as executive directors, according to the provisions set forth in their contracts).

The maximum amount resulting from what is described in this section shall continue to apply for as long as this Remuneration Policy is in force, unless the Shareholders' Meeting resolves to change it in the future

The remuneration included in this Remuneration Policy is expressed in gross figures, and each director will be responsible for satisfying any applicable taxes.

6. DIRECTORS' REMUNERATION IN THEIR CAPACITY AS SUCH

6.1 General criteria:

The remuneration for directors in their capacity as such shall consist of a fixed annual amount, which is established as follows:

- i. The remuneration of directors in their capacity as such it intended to adequately compensate them based on principles of fairness, dedication and responsibility, without compromising their independence. Directors' remuneration is reasonably proportional to the Company's importance, its economic situation, and the market standards of comparable companies.
- ii. The maximum annual remuneration amount for all the directors in their capacity as such shall be determined at the Shareholders' Meeting and included in the Remuneration Policy (see section **¡Error! No se encuentra el origen de la referencia.¡Error! No se encuentra el origen de la referencia.** above).
- iii. At the proposal of the CNRGC, the Board of Directors shall individually distribute the aforementioned maximum remuneration amongst its members (that is, distribution among the directors of the maximum remuneration mentioned above) taking into account the functions and responsibilities of each director, the category to which each director belongs, whether they belong to the Board Committees and the other objective circumstances that the Board of Directors deems relevant.

In this regard, the remuneration for Chairman of the Board of Directors will be higher than for the other Board members based on the greater dedication required of the Chairman and his institutional and representation duties for the Company at the highest level. At the request of the CNRGC, the Board of Directors may set a lower remuneration for the proprietary directors.

6.2 Fixed remuneration of the directors in their capacity as such

6.2.1 Fixed annual remuneration of the non-Executive Chairman

The fixed annual remuneration of the Non-executive Chairman shall be a fixed amount for all items in the range of between 200,000 euros and 300,000 euros per annum.

The specific fixed amount payable to the non-Executive Chairman of the Company shall be established by the Board of Directors, at the proposal of the CNRGC, within that range, according to the levels of responsibility and dedication required as Chairman of the Board and of the Delegated Committee, and to the specific circumstances involved in the activities to be carried

out by the non-Executive Chairman, also taking into account the specific characteristics of the person holding the post at any given time, such as his professional background and experience, his capacities and skills for performing the office.

This remuneration shall be paid fully in cash and prorated monthly, and it shall be incompatible with the receipt of the remuneration established in sections **¡Error! No se encuentra el origen de la referencia.**, **¡Error! No se encuentra el origen de la referencia.** and **¡Error! No se encuentra el origen de la referencia.** below.

In the event the Board of Directors decides to have the Chairman assume executive functions, his remuneration package will be determined by the Board at the proposal of the CNRGC, taking into account the provisions of section **¡Error! No se encuentra el origen de la referencia.** ff. concerning the addition of new executive directors.

6.2.2 Fixed annual remuneration for serving on the Board of Directors

The fixed annual remuneration for this item shall be 70,000 euros per annum per Board member.

The fixed annual remuneration which the non-executive directors receive for serving on the Board of Directors shall be paid to each one fully in cash on a prorated monthly basis.

As already indicated in section 6.1ii above, the Board of Directors at the CNRGC's proposal will determine the amount corresponding to each director according to a number of objective circumstances, and the figure may therefore not be the same for all of them.

6.2.3 Fixed annual remuneration for serving on the Board Committees:

Besides the remuneration set forth in section 6.2.2, the non-executive directors may receive an additional fixed annual remuneration for belonging to the Board Committees. This remuneration shall be paid in cash, prorated monthly, and the maximum amounts will be the following:

- i. Remuneration for participating on a Delegated Committee: 30,000 euros per annum per director.
- ii. Remuneration for serving on the Audit and Compliance Committee, on the CNRGC and on the Sustainability Committee: 20,000 euros per annum per director, being two times this amount for the respective committee chairmen (i.e. 40,000 euros).

6.2.4 Remuneration for other posts on the Board of Directors

The Board of Directors, at the CNRGC's proposal, may establish specific compensation for any other post on the Board. Such remuneration shall be determined based on the level of responsibility and dedication required in performing those duties and any specific circumstances, likewise taking into consideration the specific characteristics of the person at all times, such as their professional career and experience, their skills, and their aptitude for holding that post.

This remuneration may not be higher than the compensation afforded a non-executive chairman of the board and will be paid solely in cash and prorated monthly, being incompatible with the remuneration set forth in sections **¡Error! No se encuentra el origen de la referencia., ¡Error! No se encuentra el origen de la referencia.** and **¡Error! No se encuentra el origen de la referencia.** of this Policy.

6.2.5 Participation on the Boards of Directors of other Group companies

PRISA's directors can accrue other fees for serving on the Boards of Directors of other Group companies, in accordance with their respective Articles of Association, which will be reported annually in the Annual Report on Company Directors' Remuneration.

6.2.6 Other remuneration items

The remuneration for the directors in their capacity as such does not envisage the grant of credits, advance payments or guarantees. Likewise, it does not envisage the participation of non-executive directors in employee welfare systems or entitlement to any compensation in the event of termination of their duties as directors; also, it does not envisage the grant of remuneration other than that described in this Remuneration Policy.

6.3 Other provisions

6.3.1 Expenses related to Board and Committee meetings

The expenses associated to travel, meals and accommodation to attend the meetings of the Board of Directors and Committees will be reimbursed by the Company to the directors, provided that they have been notified to the Company previously and accepted by it, and that they are duly justified.

Nonetheless, the directors of PRISA do not receive attendance fees for participating in the meetings of the Board of Directors and Committees or other fixed remuneration as directors.

6.3.2 Civil liability insurance

The Company has also contracted a civil liability insurance policy for all its directors on the usual market conditions and proportionate to the Company's circumstances.

7. DIRECTORS' COMPENSATION FOR PERFORMING EXECUTIVE DUTIES

On the date of approval of this Policy, PRISA's Board of Directors has two executive directors: one executive director who is the head and executive chairman of Santillana, and an executive director who is the head and executive chairman of PRISA Media. This Remuneration Policy will refer to these persons as "Executive Director of Santillana" and "Executive Director of PRISA Media", respectively.

7.1. Remuneration items

The remuneration items comprising the Executive Directors' remuneration as well as the basic terms and conditions of their functions must be stated in a contract signed with the director in

question, which must be approved previously by the Board of Directors, where the director must abstain from voting on and discussing the matter, with a two-thirds majority vote in favor.

The contracts of the Executive Directors may be entered into with the respective companies of the Group in which they exercise their executive functions. It may therefore be the companies in which they exercise their executive functions which pay the remunerations of the Executive Directors.

The contract of the current Executive Director Santillana and Executive Director of PRISA Media, the terms of which are described in this Remuneration Policy, was entered into with Santillana Educación Global, S.L.U. and with Prisa Media, S.L., respectively.

The Executive Directors shall not receive any amounts for the items envisaged in the previous section 6 (not including the remuneration due to them for their executive functions in the businesses which they are responsible for, i.e. Santillana and PRISA Media, respectively). Nevertheless, the Executive Directors are beneficiaries of the civil liability insurance arranged by the Company for its directors.

Remuneration of Executive Directors will be determined by the level of responsibility assigned and their individual performance, in line with the market for equivalent levels of responsibility and taking into account the Company's circumstances at all times, and may include the following items:

- i. fixed remuneration
- ii. short-term variable remuneration and medium- or long-term variable remuneration;
- iii. employee welfare plan;
- iv. remuneration in kind; and
- v. insurance, savings plans, indemnities and exclusivity, post-contractual non-compete or seniority covenants.

7.2. Fixed remuneration

The Executive Directors shall receive a fixed annual remuneration in cash for their executive and senior management duties, which in the case of the Executive Director of Santillana is 475,000 euros; and in the case of the Executive Director of Prisa Media, is 400,000 euros. These amounts will remain invariable unless the Board of Directors agrees to adjust them in accordance with the provisions of section 0 below.

7.3. Variable remuneration

Part of the Executive Directors' remuneration will be variable, with a view to reinforcing their commitment to the Company and incentivizing better performance of their functions.

Variable remuneration for Executive Directors will be determined in the Board of Directors' pre-established objectives based on the metrics contained in this Policy, linked to financial, nonfinancial and social responsibility factors and, when warranted, on their specific and quantifiable performance within the framework of the metrics set forth below, so that the variable remuneration does not derive simply from the general performance of the markets, of the Company's activity sector or other similar circumstances.

The objectives will be in line with Company strategy and will promote long-term sustainability and profitability. The aim of the Company, in this respect (just as with the rest of the Group's senior managers) is to design competitive remuneration packages that permit attracting and retaining outstanding professionals while establishing a link between remuneration, results and the achievement of objectives for the Company and the Group.

The Executive Directors' variable remuneration currently includes an annual short-term variable amount (see section 7.3.2 below) and a medium-term incentive plan (see section 7.3.3 below).

Likewise, the Executive Directors may be beneficiaries of an extraordinary incentive linked to the success of key strategic transactions for the interests of the Group, if so decided by the Board of Directors in virtue of section 7.3.4 below.

The Executive Directors' variable remuneration objectives are approved by the Board of Directors at the CNRGC's proposal, based on the metrics previously set forth in this Policy. In addition, the Sustainability Committee will propose to the CNRGC the terms for variable remuneration based on sustainability matters.

At the proposal of that Committee, the Board of Directors is also responsible for assessing the degree of achievement of the established objectives.

Pursuant to the provisions of article 529 novodecies.6 of the LSC, after receiving the CNRGC's favorable report, the Board of Directors may apply temporary exceptions to the executive directors' variable remuneration components when this serves the Company's long-term interests and sustainability as a whole, or to ensure its viability.

7.3.1. Actions taken by the Company in relation to the remuneration plan, to reduce exposure to excessive risk and adjust it to the Company's long-term objectives, values and interests

The variable remuneration system established by the Company includes the following provisions for these purposes:

- i. The variable remuneration of the Executive Directors aims to boost their commitment to the Company and create incentives for a better performance of their duties. It also represents a relevant part of all their remunerations and is linked to the achievement of targets that have been set in advance by the Board of Directors, which are mostly specific and quantifiable, so that it does not derive solely from the general performance of the markets, the Company's sector of activity or other similar circumstances.
- ii. Every year a variable compensation system is defined which complies with formal procedures for determining the amounts to be paid to the Executive Directors. The objectives are set down in writing in advance, based on the metrics contained in this Policy, and their achievement is determined according to the Company's results and approved by the Board of Directors, at the proposal of the CNRGC.
- iii. The variable components of the remuneration are sufficiently flexible to allow them to be modulated to the extent of removing them completely. There is no entitlement to receive

a guaranteed annual variable remuneration. The involvement of the CNRGC favors the consideration of the risks associated with the remunerations in the discussions and their proposal to the Board of Directors, both to determine them and in the assessment process of the yearly and multi-year incentives.

- iv. All the variable remuneration has maximum payable amounts fixed.
- v. Remuneration linked to the Company's earnings shall take into account any qualifications stated in the external auditor's report that reduce those earnings.
- vi. The contracts of the Executive Directors contain a clawback clause that permits the Company to claim a reimbursement of the variable components of remuneration when they have been paid based on data whose inaccuracy is verified subsequently. This measure has effects for the remuneration received after the entry into force of the respective contracts with the Company. Likewise, the Medium-Term Incentive Plan 2020-2023 and the Medium-Term Incentive Plan 2022-2024, referred to in item 7.3.3. below, envisages the corresponding malus and clawback clauses.
- vii. The system for establishing metrics for the quantitative objectives takes into consideration the variables that have been identified within the Company's risk map.
- viii. It should be noted that the CNRGC as a whole has the appropriate knowledge, skills and experience regarding the Company's remuneration policies and practice, as well as the incentives and risks that may arise in that regard, including knowledge, skills and experience concerning the mechanisms for adapting the remuneration structure to corporate risks and financial performance.
- ix. The internal audit department conducts an independent assessment of the definition, application and effects of the Company's remuneration policy within its risks map, managed in accordance with the principles established in the Policy and based on the Board of Directors' instructions.

7.3.2. Annual variable remuneration

The annual variable remuneration of the Executive Directors is that regulated in their respective contracts. Under these contracts, the Executive Directors will receive variable remuneration which does not vest, in cash, according to the degree of compliance with objectives assigned to them for each of the annual periods covered by his contract, and which shall be set each year by the Board of Directors at the proposal of the CNRGC.

The annual variable remuneration of the Executive Directors, which will be determined according to a scale of achievement, will be linked mainly to the achievement of the specific and quantifiable financial and non-financial objectives, set by the Board of Directors. The determination of the annual variable remuneration of the Executive Directors takes mainly into account the quantitative business-related objectives, which include the Group's operational and financial objectives, and value creation objectives; as well as qualitative objectives related to the metrics linked to environmental, social and corporate governance (ESG) factors, being likewise able to establish qualitative objectives related to the skills and behavior required from executives of their characteristics.

In particular, to determine the short-term variable remuneration of the Executive Directors for the year 2022, 100% of the objectives will be quantitative (there will be no subjective variables) based on the 2022 budget of Santillana and Prisa Media, respectively, in accordance with the following detail:

Executive Director	Metrics
Executive Chairman Santillana	Ebit
	Operating Cash Flow
	Subscription revenues
	ESG objectives
Executive Chairman PRISA Media	Ebitda
	Cash Flow
	Digital Revenues
	ESG objectives

These objectives aim to improve financial, operating and service results, with special emphasis on Ebitda/Ebit (depending on whether dealing with Prisa Media or Santillana), cash generation and the generation of digital or subscription revenues. In addition, 5% will be linked to the fulfilment of ESG objectives.

These metrics will be based on the fiscal year budget, and a weight and achievement level has been established for each.

The short-term variable remuneration of Executive Directors achieving 100% of the 2022 objectives amounts to 250,000 euros, with the possibility of increasing that figure up to a maximum of 150% in the event the level of achievement of the objectives exceeds 135% and, thus, the maximum that each of the Executive Director can receive for this item of compensation is 375,000 euros (gross).

In addition, the Executive Chairman of PRISA Media may receive 10% of his annual variable remuneration target (that is, €25,000) if in 2022 the two specific objectives linked to subscriptions and digital revenue are achieved in more demanding terms than those provided for in the 2022 PRISA Media budget.

For the following years (2023 and 2024), the Board shall have the discretion to establish the variable remuneration system for the Executive Directors within the framework of the metrics established in this Policy (i.e., it will determine the weighting for each of them, the compliance scales and whether or not to have a “key objective”).

This remuneration accrues annually and the degree of achievement of these objectives will be measured at the close of each fiscal year. The CNRGC will verify the degree of compliance with the objectives to which the short-term variable remuneration is subject, and will submit it for final approval by the Board of Directors. The payment will be made in arrears for the previous year within the first six months of the calendar year following the year in which the amount was generated.

The Executive Directors’ contracts may include a *malus* clause based on the deferral of a portion of the amount to be paid as variable remuneration for a sufficient period. If any event occurs

prior to the time of payment that makes it advisable, the corresponding variable remuneration may not be paid, whether fully or partially.

In the event exceptional supervening circumstances arise during the year, and with a view to guaranteeing that the variable remuneration effectively reflects the Executive Directors' professional performance, the CNRGC and the Board of Directors may modify the previously-established objectives and/or assessment criteria, reporting those changes in the Annual Report on Directors Remuneration, and which shall be put to an advisory vote of the shareholders at the Ordinary Shareholders Meeting.

In each Annual Report on Directors' Remuneration, the Company will provide details not only of how this Policy is implemented but of the specific objectives established for each year and their degree of achievement.

7.3.3. Medium- and long-term variable remuneration

i. Medium-term Incentive Plan 2020-2025, linked to the creation of value in Santillana through the implementation of a corporate transaction and payable in cash.

The Executive Director of Santillana is the beneficiary of a medium-term incentive plan linked to the creation of value in Santillana in the period between September 1, 2020 and December 31, 2025. The plan was approved by the Board of Directors at its meeting held on January 26, 2021 and amended by the board on 24 May 2022 for the purpose of defining when it may be considered that there has been a revaluation in Santillana and extending its duration until the year 2025 (initially it was until the year 2023).

The aim of this plan is to link part of the remuneration of certain key directors of PRISA and Santillana (among whom is the Executive Director of Santillana) with the interests of PRISA shareholders in a multi-year framework and long-term value creation for the shareholders. In this respect, the plan aims to (i) create incentives for the participants to maximize value creation for the education businesses (Santillana) for the shareholders in a period of approximately three years, (ii) reward the extraordinary efforts required to achieve the value-creation objectives set; and (iii) recognize the contribution of value by the participants to PRISA and Santillana.

The incentive plan will allow the beneficiaries to participate in the creation of value for Santillana during the reference period, provided that they exceed a minimum revaluation target for Santillana (1.4 billion euros) and comply with the rest of the conditions established in the regulation of the plan approved by the Board of Directors of PRISA. It will be understood that there has been a revaluation in the event that one of the corporate transactions provided for in the Plan Regulation have been concluded (i.e., the sale or flotation of Santillana), and the price or value determined for Santillana in the transaction is higher than the aforementioned minimum revaluation target of 1,400 million euros.

The beneficiaries will have the right to receive in cash a percentage of the value created for Santillana, understood as the positive difference between the enterprise value of Santillana on the date on which the specific corporate transaction is carried out and the initial date (September 1, 2020), taking into account the amount of the distributed dividends as well as capital flow. Santillana's enterprise value at the completion date will be that resulting from a

valuation made by one or more independent experts. The enterprise value of Santillana at the initial date has been set at 1,25 billion euros.

The percentage of the value creation to which the beneficiaries may be entitled will in turn depend on the level of revaluation of Santillana, according to a predetermined scale that in the case of the Executive Director of Santillana may be up to a maximum of 1.65% of this value creation.

Although the duration of the plan extends until December 31, 2025, the plan will be settled early on the date on which the specific corporate transaction provided for is executed.

In order to receive the corresponding incentive, the Executive Director of Santillana must maintain his contractual relationship with the Group until the payment date of the incentive, except for certain cases of termination which are duly specified in the regulation of the Plan.

The Incentive Plan includes the following malus and clawback clauses normally used in incentive plans similar in nature, which will be applicable for a period of two years from the payment date of the incentive. In the case of the Executive Director of Santillana, the period for which said clauses will be applicable is three years.

Finally, if there are significant internal or external changes that do not represent a change in control (for example, in the Group's scope of consolidation, macroeconomic or regulatory environment) that demonstrate the need to revise the objectives that have been established, the Board of Directors may modify the terms of the Santillana Incentive Plan and its objectives, which will be duly reported in the corresponding Annual Report on Directors' Remuneration.

ii. Medium-term 2021-2025 incentive plan linked to the creation of value of PRISA Media and payable in shares

The Executive Director of PRISA Media is the beneficiary of a medium-term incentive plan linked to the achievement of certain quantitative financial targets set out in PRISA Media's budget (linked to EBITDA, Cash Flow and digital revenues) in fiscal years 2022, 2023, 2024 and 2025 and is payable in shares. The plan was approved by the Board of Directors of PRISA in December 2021 and was subsequently modified by the Board (to extend it until 2025 in line with the Company's Strategic Plan and to modify the timeframe for payment) on 26 April and 24 May 2022, its entry into force and application being contingent upon its approval at the Ordinary Shareholders Meeting to be held on 28 June or on 29 June on the first and second quorum calls, respectively.

Executive Director of PRISA Media will be allocated a theoretical number of shares equivalent to €500,000 gross for each year of the plan's duration, which will serve as a reference to determine the final number of shares to be delivered. The calculations will be made considering the average stock market value of PRISA shares during the last quarter of 2021. In addition, the incentive may be increased depending on the evolution of PRISA's share price.

This plan aims to link a portion of the remuneration of PRISA Media's Executive Director to the interests of PRISA's shareholders within a multi-year framework and to generate long-term value for shareholders.

The incentive plan will allow its beneficiary to participate in the creation of value of PRISA Media during the reference period provided that minimum targets are exceeded and the other conditions established in the plan's Regulations approved by the Board of Directors of PRISA are met.

In order to accrue the incentive, the Executive Director of PRISA Media must maintain his or her contractual relationship with PRISA Media during the entire term of the Plan until the award date. The departure of the executive (either of his own free will or by decision of the Company) would not, in principle, give rise to a right to settlement, unless the Board of Directors, at the proposal of the Appointments and Remuneration Committee, where appropriate, adopts a different criterion.

The incentive plan includes the corresponding malus and clawback clauses, which are customary in incentive plans of a similar nature. The clawback clause will be applicable during the year following the date of delivery of the shares.

iii. Medium-term 2021-2025 incentive plan linked to the creation of value of Santillana and payable in shares

In addition to the 2020-2025 medium-term incentive plan linked to the creation of value in Santillana by concluding a corporate transaction (provided for in section i) above), the Executive Director of Santillana is the beneficiary of a medium-term incentive plan linked to the achievement of certain quantitative financial targets set out in Santillana's budget (linked to EBIT and Cash Flow) in fiscal years 2022, 2023, 2024 and 2025 and is payable in shares. The plan was approved by the Board of Directors of PRISA on May 24, 2022, its entry into force and application being contingent upon its approval at the Ordinary Shareholders Meeting to be held on 28 June or on 29 June on the first and second quorum calls, respectively. Executive Director of Santillana will be allocated a theoretical number of shares equivalent to €500,000 gross for each year of the plan's duration, which will serve as a reference to determine the final number of shares to be delivered. The calculations will be made considering the average stock market value of PRISA shares during the last quarter of 2021. In addition, the incentive may be increased depending on the evolution of PRISA's share price.

This plan aims to link a portion of the remuneration of Executive Director of Santillana to the interests of PRISA's shareholders within a multi-year framework and to generate long-term value for shareholders.

The incentive plan will allow its beneficiary to participate in the creation of value of Santillana during the reference period provided that minimum targets are exceeded and the other conditions established in the plan's Regulations approved by the Board of Directors of PRISA are met.

In order to accrue the incentive, the Executive Director of Santillana must maintain his or her contractual relationship with Santillana during the entire term of the Plan until the award date. The departure of the executive (either of his own free will or by decision of the Company) would not, in principle, give rise to a right to settlement, unless the Board of Directors, at the proposal of the Appointments and Remuneration Committee, where appropriate, adopts a different criterion. As an exception to the foregoing, the Executive Director of Santillana will maintain his right to receive the incentive already accrued previously, which will be paid on the respective

award Date, in certain cases of termination of his relationship with the Group, provided for in the Plan Regulations.

The incentive plan includes the corresponding malus and clawback clauses, which are customary in incentive plans of a similar nature. The clawback clause will be applicable during the year following the date of delivery of the shares.

iv. Extraordinary incentives for the execution of key strategic transactions for the interests of Prisa Group

During the financial years 2022, 2023 and 2024, the Executive Directors will be entitled to receive a variable remuneration which does not vest, in cash, when the Board of Directors, following a favorable report of the CNRGC, considers that it is in the best interest of the Company to incentivize and reward his performance in the configuration, preparation, negotiation and execution of corporate transactions that are relevant for the future of the Group.

Both Executive Directors or only one of them may be beneficiaries of these extraordinary incentives, depending on a decision of the Board of Directors of PRISA.

In any case, the extraordinary incentives that may be granted shall include clawback clauses, thus PRISA will be able to claim a reimbursement of all or part of the extraordinary incentive paid in certain scenarios.

The maximum amount to be paid to the Executive Directors under these extraordinary incentives will amount to twice their fixed annual remuneration provided for in their contracts and its final determination, if appropriate, within such limit, shall be carried out by the Board of Directors, following a favorable report of the CNRGC. Moreover, the Executive Directors shall maintain their relationship with Grupo PRISA without any interruption until the payment date of the corresponding incentive, except in certain cases such as death, permanent disability, or the termination of the labor or mercantile relationship under certain circumstances.

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In the event of a takeover or change of control affecting PRISA, among other circumstances provided for, the Board of Directors, at the proposal of the CNRGC, may resolve to early terminate the plan. In such cases, the incentive component related to the performance of the share may be considered fulfilled for the purposes of its accrual.

Targets to be reached by the beneficiaries of these plans may be complemented with any other parameters that the Board of Directors resolves to include, following the proposal of the CNRGC.

7.4. Review of the Executive Directors' remuneration

Pursuant to article 217.4 of the LSC that provides that director's remuneration should in any case be reasonably proportional to the importance of the Company, its economic situation at any time and the market standard for comparable businesses, the directors' remuneration will be periodically reviewed and adjusted. During the term of this Policy, any possible variations in the annual fixed remuneration and variable remuneration targets for Executive Directors will be determined by the Board of Directors at the CNRGC's proposal, based on information concerning the evolution of the Spanish salary market, the forecasted growth each year, and the corresponding market studies and analyses, among other aspects.

Those variations and the underlying motives for such review will in any case be explained in the corresponding Annual Report on Directors Remuneration.

7.5. Indemnity in case of termination of the functions as executive director

The right to receive an indemnity in certain cases of early termination of executive functions is established in the contracts of the Executive Directors with Grupo Santillana Educación Global, S.L.U. (in the case of the Executive Director of Santillana) and PRISA Media, S.L. (in the case of the Executive Director of PRISA Media).

In the event that the contracts of the Executive Directors are terminated: i) at the request of the executive director in the event of serious and culpable breach by the Company of the obligations established in the contract; ii) at the will of the executive director in the event of a change of control (as "change of control" is defined in the contracts), iii) at the sole will of the Company with which the contract has been entered into; iv) as a consequence of the termination or non-renewal of the position of director of Prisa Media, S.L. or Grupo Santillana Educación Global, S.L.U., depending on the director in question, or v) in the event of total or partial revocation of the powers delegated to the executive director or of the powers granted to him by the Company, the executive directors shall be entitled to receive the following indemnities:

- i. Executive Chairman of Prisa Media, would receive gross indemnity equivalent to eighteen months of his fixed remuneration and his annual variable remuneration in cash.
- ii. Executive Chairman of Santillana would receive:
 - a) A total indemnity of 1,643,020 euros gross. In order to determine this figure, the following amounts have been taken into account:
 - the amounts of indemnity for unfair dismissal that would have corresponded to Mr. Cuadrado due to the termination of the ordinary and senior management employment relationships that Mr. Cuadrado has maintained with the different entities of the Prisa Group from 18 October 1989 until the entry into force of the current contract and
 - a gross up to mitigate the loss that Mr. Cuadrado will incur as a result of not being able to benefit from the maximum exemption provided for in article 7.e) of the Personal Income Tax Act for severance payments for dismissal or termination of employees.
 - b) Gross supplementary remuneration equivalent to the amount established at that time as the maximum amount of the Social Security contributory unemployment benefit, for the maximum period established for such benefit. In any case, if Mr. Cuadrado obtains the payment of unemployment benefits from the corresponding public body, he will be required to reimburse to the Company the amount received as such supplementary remuneration up to the amount of the benefit obtained, and must make the reimbursement within a maximum period of one month from the date on which the unemployment benefit was recognised. However, this gross supplementary remuneration will not be paid in the event of termination of the contract as a result of a change of control.

Likewise, in the above cases, the Executive Directors shall be entitled to receive, as part of their severance payment, the proportional part of the annual variable remuneration of reference (referred to in section 7.3.2. above) corresponding to the time worked during the year in which the termination occurs. The Executive Directors shall not be entitled to receive the annual variable remuneration corresponding to the year in which the Agreement is terminated, if such termination is due to the will of the Executive Directors, or by decision of the Company based on non-compliance by the Executive Directors, except in those cases in which the termination due to the will of the Executive Directors occurs within the last two months of the fiscal year, in which case they shall be entitled to receive the proportional part of the annual variable remuneration (corresponding to the time worked during the year in which the termination occurs) that, if applicable, would have corresponded to them, provided that the annual objectives established are proportionally reached. The annual variable remuneration will be paid within the first half of the calendar year following the year of generation.

In any of the above cases, the aforementioned amounts will not be paid until the Company has been able to verify that the Executive Directors have complied with the criteria or conditions established for their payment.

7.6. Other terms and conditions of the contract with the Executive Directors

The essential terms and conditions of the Executive Directors' contracts for services, in addition to the aforementioned remuneration items, are as follows:

- (i) Duration: indefinite, without prejudice to the fact that the contracts are subject to the currency of their respective positions as Executive Chairman of Santillana and PRISA Media.
- (ii) Exclusivity and non-competition: exclusivity for the Company and the PRISA Group, and Executive Directors may not, under any contractual relationship, provide services to or carry out professional activities with other persons or entities. It also includes a specific non-competition prohibition.
- (iii) Term of advance notice: In the event of termination of the contract by decision of the Executive Directors, they must send notice to the Company indicating such circumstance at least three months in advance. In the event of total or partial non-compliance with the notice period, the Executive Director shall be required to pay the fixed remuneration in cash corresponding to the unfulfilled notice period.

In the event of termination of the contract at the request of the Executive Directors in the event of a change of control (as "change of control" is defined in their contracts), they must notify the Company of their decision within two months of the occurrence of the change of control and must give one month's notice. In the event of breach of the notice obligation, the Executive Directors shall indemnify the Company with an amount equivalent to the fixed remuneration applicable at the time of termination of the contract corresponding to the unfulfilled notice period.

The Company, in the event of corporate withdrawal, must give at least three months' notice. In the event of total or partial non-compliance with the notice period, the

Company shall be required to pay the fixed remuneration in cash corresponding to the unfulfilled notice period.

- (iv) Post-contractual noncompetition: The contracts of the Executive Directors include a post-contractual non-competition clause by virtue of which the Executive Director undertakes (i) to refrain from engaging in activities in competition with those of the Company with which they have entered into the contract, either on their own account or on behalf of a third party, in the manner and to the extent specified in their contracts, and (ii) not to hire any person who on the date of termination of the contract is employed by the Company with which they have entered into the contract or any other company of its group, and not to contribute to any employee of such group leaving it.

This non-competition covenant will last for 12 months after termination of this agreement for any reason.

The Executive Directors would receive, as economic consideration for such obligations, remuneration equivalent to six monthly payments of the fixed remuneration in force at the time of termination of the contract. In the event of breach of the aforementioned post-contractual non-competition agreement, the Executive Directors shall be required to reimburse the amount of the remuneration received for such concept and an indemnity in an amount equal to six monthly payments of the fixed remuneration in force at the time of termination of the contract.

7.7. Other remuneration in kind

7.7.1. Life and accident insurance

PRISA has signed a policy with an insurance company that covers the contingencies of death for any reason, absolute disability and total permanent disability with a coverage amount equivalent to two and a half years of the fixed remuneration of the beneficiary (the fixed remuneration received in the previous year), additional coverage in the case of accidental death or absolute disability by reason of accident, and further additional coverage in the event of death or permanent disability by traffic accident. Within the Company's Board of Directors, the only beneficiaries of this policy are the Executive Directors. The death benefit has an age limit of 75 years, and the supplementary risk coverage also has an age limit of 65 years.

According to the conditions of the policy, the insured capital for the Executive Directors is that corresponding to two and a half years of the fixed remuneration for their respective posts received in the immediately preceding year.

The insurance premiums are adjusted annually in light of the claims reported on PRISA's Group policies and the insureds' ages. For this purpose, in the first quarter of each year, the premiums attributable to the Executive Directors are revised.

The amounts of the premiums will be detailed in the relevant Annual Report on Directors' Remuneration.

7.7.2. Private health insurance

The Group's policy applicable to all executives includes private health insurance in the form of reimbursement of expenses. On the Company's Board of Directors, the only beneficiaries of this insurance are the Executive Directors, as well as their family members, respecting the age limits appearing in the corresponding policy.

The private health insurance premiums are adjusted annually in light of the claims under PRISA's Group policies and the evolution of the Consumer Price Index in the health sector, according to the broker's proposal. In the last quarter of each year, the premium for the following year is established.

The amounts of the premiums will be detailed in the relevant Annual Report on Directors' Remuneration.

7.8. Other benefits

The Executive Directors will also be entitled to the use of a chauffeured vehicle according to the terms of PRISA Group's vehicle fleet policy.

7.9. Addition of New Executive Directors

Applying the principles of this Remuneration Policy, if during the life of this policy additional executive directors are appointed (which implies that a current member of PRISA's board will become an executive director), their remuneration will be determined by the level of responsibility assigned them and their professional experience, maintaining an internal balance and external competitiveness, and providing compensation in accordance with the best market practices.

In that regard and given the company's interest in ensuring the viability and continuity of corporate management, at the CNRGC's proposal the Board of Directors may apply temporary exceptions to this Policy, with the understanding that such exceptions will apply only until an ordinary shareholders meeting is held, at which time the remuneration policy should be adapted as may be required.

To that end, the CNRGC and Board of Directors will determine the items and amounts in the new executive director's remuneration package, specifically taking into account the director's level of compensation prior to assuming executive functions, market conditions and comparable posts, previous experience and qualifications, and the duties to be assigned and responsibilities undertaken, which shall be duly reflected in the corresponding contract to be signed by the company and new executive director.

New executive directors shall be entitled to compensation upon termination of their executive functions in the Company equal to 18 months of their gross fixed remuneration and their variable annual compensation in cash, provided that such termination is not the result of the directors' nonperformance nor is exclusively voluntary.

The foregoing notwithstanding, at the CNRGC's proposal the Board of Directors may authorize payment of extraordinary remuneration or an incentive to attract talent and to compensate new executive directors for the loss of variable income or contractual rights upon leaving their

previous position, to the extent necessary to ensure the hiring of candidates most appropriate for the company's interests.

The hiring of new executive directors, as well as their specific compensation during their first fiscal year as executive director will be disclosed in the corresponding Annual Report on Directors Remuneration. In addition, at the next ordinary shareholders meeting the Remunerations Policy will be presented for amendment or a new one approved, providing the individual details of the new directors' compensation.

8. OTHER REMUNERATION OF THE DIRECTORS FOR SERVICES PROVIDED OTHER THAN THOSE INHERENT IN THEIR POSITION

The Company can remunerate certain directors for providing other services, at the proposal of the CNRGC and through a resolution by the Board of Directors. These remunerations, in the case of independent directors, may not reach an amount whose relevance might compromise the performance of their position with due independence.

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