

APPENDIX 1

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

ISSUER'S PARTICULARS

END OF FINANCIAL YEAR IN QUESTION 31/12/2017

Tax ID No. A84342229

COMPANY NAME

TELEPIZZA GROUP, S.A.

REGISTERED OFFICES

C/ ISLA GRACIOSA 7 (SAN SEBASTIAN DE LOS REYES) MADRID

MODEL ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS OF LISTED COMPANIES

A REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

A.1 Explain the Company's remuneration policy. This section will include information regarding:

- General principles and bases of the remuneration policy.
- Most significant changes made to the remuneration policy from the policy applied during the previous financial year, as well as changes made during the financial year to the terms for exercising options already granted.
- Criteria used to establish the Company's remuneration policy and the composition of peer groups of companies whose remuneration policies have been examined with a view to establishing the Company's remuneration policy.
- Relative significance of the variable items of remuneration as compared to fixed items and standards used to determine the various components of the directors' remuneration package (remunerative mix).

Explain the Company's remuneration policy

Generally speaking, only the independent directors and the Chairman of the Company's Board of Directors receive remuneration.

At the Board of Directors' Meeting held on 31 March 2016, the Company approved the Directors' Remuneration Policy drawn up following a proposal from the Appointments and Remunerations Committee on the same date.

As regards the general principles and bases, the Directors' Remuneration Policy seeks to adapt the remuneration paid to directors to the time spent on activities and responsibilities assumed, as well as to other policies in the market at comparable companies both domestically and internationally based on the long-term interest of all shareholders.

In particular, with regard to executive directors, the fundamental criterion is to offer remuneration systems that allow the most outstanding professionals to be recruited, retained and motivated in order to ensure the Company and the group can meet their strategic objectives within the competitive and internationalised growth framework in which they operate. Consequently, with regard to such executive directors, the Directors' Remuneration Policy aims:

a) To guarantee that, in terms of its structure and overall amount, the remuneration complies with best practices and is competitive when compared with similar entities both nationally and internationally in consideration of the territories in which the group operates.

b) To establish remuneration based on objective criteria regarding the individual performance of the executive directors and the achievement of business targets by the Company and the Group.

c) To include a significant annual variable component tied to performance and the achievement of specific, pre-determined and quantifiable targets aligned with corporate interests and the strategic targets of the Company.

d) To enhance and incentivise the achievement of the company's strategic targets by including long-term incentives, strengthening the ongoing competitive development of the Group, its administrators and its senior management team, fostering motivation and loyalty, as well as retaining the best professionals. Without prejudice to the above, the Directors' Remuneration Policy will be suitably adapted to the economic environment and international context.

A.2 Information regarding preparatory work and the decision-making process followed to determine the remuneration policy, and any role played by the Remuneration Committee and other control bodies in the configuration of the remuneration policy. This information shall include any mandate given to the Remuneration Committee, the composition thereof, and the identity of external advisers whose services have been used to determine the remuneration policy. There shall also be a statement of the nature of any directors who have participated in the determination of the remuneration policy.

Explain the process for determining the remuneration policy

On 17 March 2016, the sole shareholder of the Company amended its articles of association to define the remunerated nature of the position of director. The directors whose position is remunerated are those who are independent. Neither the proprietary directors nor the external directors receive remuneration for their position.

The Appointments and Remunerations Committee of the Company proposed the Directors' Remunerations Policy to the Board of Directors of the Company. Although there were no external advisers, efforts were made to ensure that the remunerations established reflect the time spent on duties and responsibility assumed and fall in line with those in place at similar companies both nationally and internationally.

The Appointments and Remunerations Committee of the Company is made up by a total of three members, plus a non-committee member secretary. Two committee members are independent directors, Mr. John Derkach, who is the Chairman, and Mr. Juan Riva de Aldama (coordinating director), and a third director, Mr. Mark Alistair Porterfield Brown, who holds the post of proprietary director, together with a Committee Secretary Mr. Javier Gaspar Pardo de Andrade, who does not have the status of member.

A.3 State the amount and nature of the fixed components, with a breakdown, if applicable, of remuneration for the performance by the executive directors of the duties of senior management, of additional remuneration as chair or member of a committee of the Board, of attendance fees for participation on the Board and the committees thereof or other fixed remuneration as director, and an estimate of the annual fixed remuneration to which they give rise. Identify other benefits that are not paid in cash and the basic parameters upon which such benefits are provided.

Explain the fixed components of remuneration

Board members that are independent directors receive a total annual remuneration of 60,000 euros per year.

This amount includes 20,000 euros to preside committees or to act as a coordinating director.

The executive director Mr. Pablo Juantegui Azpilicueta is, in turn, Chairman of the Company's Board of Directors, receiving fixed remuneration in his capacity of Chairman. By agreement of the Company's Board of Directors held on 31 March 2016, upon the proposal of the Appointments and Remunerations Committee, the amount of the fixed component received by Mr. Juantegui for his position as Chairman of the Board of Directors is 100,000 euros, by virtue of performing said role. In addition to his remuneration as Chairman of the Board of Directors, Mr. Juantegui Azpilicueta, under a mercantile contract signed to this effect and also approved at the same Board of Directors' Meeting, and following a proposal from the Audit Committee, receives a fixed annual salary of 510,000 euros/year.

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

In particular:

- Identify each of the remuneration plans of which the directors are beneficiaries, their scope, date of approval, date of implementation, date of effectiveness and the main features thereof. In the case of share option plans and other financial instruments, the general features of the plan shall include information on the conditions for the exercise of such options or financial instruments for each plan.
- State any remuneration received under profit-sharing or bonus schemes, and the reason for the accrual thereof.
- Explain the fundamental parameters and rationale for any annual bonus plan.

- The classes of directors (executive directors, proprietary external directors, independent external directors or other external directors) that are beneficiaries of remuneration systems or plans that include variable remuneration.
- The rationale for such remuneration systems or plans, the chosen standards for evaluating performance, and the components and methods of evaluation to determine whether or not such evaluation standards have been met, and an estimate of the absolute amount of variable remuneration to which the current remuneration plan would give rise, based on the level of compliance with the assumptions or goals used as the benchmark.
- If applicable, information shall be provided regarding any payment deferral periods that have been established and/or the periods for retaining shares or other financial instruments.

Explain the variable components of the remuneration systems

The only director that is a beneficiary of remuneration systems or plans that include variable remuneration is the Chairman of the Board of Directors, in his capacity as executive director.

Said remuneration is defined in the mercantile services contract signed with Mr. Juantegui, approved by the Company's Board of Directors' Meeting on 31 March 2016, with abstention by and in the absence of the managing director himself and following a proposal from the Appointments and Remunerations Committee.

In this regard, it is reported that, besides the Fixed Remuneration, Mr. Juantegui shall also be entitled to participate in the annual variable remuneration programme for members of the Company's Steering Committee, which may amount to a maximum of 366,000 euros/year.

The specific amount of the bonus will be decided at the discretion of the Company's Board of Directors, based on the level of compliance with qualitative and quantitative targets set for each year by the Appointments and Remunerations Committee of the Board.

Hence, the Board of Directors shall be responsible for defining the targets (following a proposal by its Appointments and Remunerations Committee), the level of achievement and, consequently, the final amount corresponding to the Bonus, which shall be paid under the terms and conditions defined in the annual variable remuneration policy that the Company may have approved for its members of the Steering Committee at any given time.

The bonus will not lead to any vested rights under any circumstances, neither in terms of the amount nor its system of definition, payment or calculation.

Mr. Juantegui participates in the variable remuneration system, on a tri-annual basis, currently applicable to the members of the Company's Steering Committee for 2015, 2016 and 2017 (the "Tri-annual Bonus 2015, 2016 and 2017"), linked to the achievement of the EBITDA established in the Company's business plan for said period.

A.5 Explain the main characteristics of the long-term savings systems, including retirement and any other survival benefits, financed partially or in full by the Company, be they provided internally or externally, with an estimate of their amount or annual equivalent cost, indicating the type of plan, whether it is a defined benefit or contribution, the conditions of the consolidation of economic rights to directors and their compatibility with any type of indemnity for the early termination of the contractual relationship between the Company and the director.

Also state the contributions on the director's behalf to defined contribution pension plans; or any increase in the director's vested rights, in the case of contributions to defined benefit plans.

Explain the long-term savings plans

Solely and exclusively, as the most senior executive of the Company, the executive director is given, as part of its remunerations, a savings plan that consists of an annual contribution corresponding to 22.42% of its annual fixed remuneration.

A.6 State any termination benefits agreed to or paid in case of termination of duties as a director.

Explain the termination benefits

There are no termination benefits provided for the termination or cessation of duties as director, whether independent, proprietary or external or for the Chairman of the Board of Directors.

As regards the latter, a position held by the managing director and most senior executive of the Company, the termination benefits provided are listed as part of his/her benefits as a member of senior management but not stemming from his/her status as director.

A.7 State the terms and conditions that must be included in the contracts of executive directors performing senior management duties. Include information regarding, among other things, the term, limits on termination benefit amounts, continuance in office clauses, prior notice periods, and payment in lieu of prior notice, and any other clauses relating to hiring bonuses, as well as benefits or golden parachutes due to advanced or early termination of the contractual relationship between the Company and the executive director. Include, among other things, any post-contractual clauses or agreements on non-competition, exclusivity, continuance in office or loyalty building.

Explain the terms of the contracts of the executive directors

The contract of the executive director is a permanent contract and includes a clause under which said director must provide his/her services exclusively to the Company. A period of three months' advance notice is required before the mercantile relations governed by said contract may be terminated. A post-contractual non-competition clause is established for the period of one year to be counted from the date on which the contract is terminated on any grounds. Similarly, compensation equivalent to his/her remuneration in the two previous years is established for the director in the event of termination by the Company.

A.8 Explain any supplementary remuneration earned by the directors in consideration of services provided other than those inherent in their position.

Explain the supplementary remuneration

Board members that are independent directors receive a total annual remuneration of 60,000 euros per year.

This amount includes 20,000 euros to preside committees or to act as a coordinating director.

It is also notified in this section that the Secretary to the Board, Mr. Javier Gaspar Pardo de Andrade is the partner of an office of law firms, VCGH Abogados, which received remuneration from the Board of Directors' Secretary's Office of 210,996 euros in 2017, and that, in turn, he did not receive any remuneration in his capacity as director.

A.9 State any remuneration in the form of advances, loans or guarantees provided, with an indication of the interest rate, main features, and amounts potentially returned, as well as the obligations assumed on their behalf as a guarantee.

Explain the advances, loans and guarantees provided

A loan exists for meeting fiscal obligations stemming from the delivery of shares to the Chairman of the Company's Board of Directors, amounting to 1,336,754.57 euros.

Said loan was issued on 13 May 2016.

The loan has a term of five years and will therefore expire on 13 May 2021. The agreed interest is EURIBOR plus one point

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

Explain the remunerations in kind

Only the Chairman of the Board of Directors receives remunerations in kind, with none of the other directors receiving such remuneration.

Remuneration in kind consists of a company car and medical insurance, as well as a contribution to a savings plan and life insurance.

A.11 State the remuneration earned by the director by virtue of payments made by the listed company to a third party to which the director provides services if such payments are intended to provide remuneration for the services thereof at the Company.

Explain the remuneration earned by the director by virtue of the payments made by the listed company to a third party to which the director provides services

No remuneration was earned by the directors by virtue of the payments made to a third-party entity at which the director provides services.

A.12 Any item of remuneration other than those listed above, of whatever nature and provenance within the group, especially when it is deemed to be a related party transaction or when the making thereof detracts from a true and fair view of the total remuneration earned by the director.

Explain the other items of remuneration

There are no other items of remuneration

A.13 Explain the actions established by the Company in the remuneration system to reduce exposure to excessive risks and to adapt it to the Company's long-term objectives, values and interest, which will include, where appropriate, a reference to: measures envisaged to guarantee that the remuneration policy is in line with the Company's long-term results, measures that establish an adequate equilibrium between the fixed and variable components of remuneration, measures adopted in relation with those personnel categories whose professional activities have a material effect on the entity's risk profile, recovery formulas or clauses in order to be able to claim the refund of the variable remuneration components based on results when such components were paid in line with certain data whose inaccuracy was subsequently manifestly demonstrated and measures envisaged to avoid conflicts of interest, where appropriate.

Explain actions taken to reduce risks

There are no recovery clauses for demanding the reimbursement of any remuneration. For this reason, the Company pays no remuneration whatsoever in advance, but rather when it has been demonstrated that payment is due following compliance with the requirements established for the accrual of each amount, at the close of the financial year and once the annual accounts for said year have been drawn up.

As already stated, only the Chairman of the Board of Directors receives remuneration based on variable components, and payment is due when compliance is accredited with the requirements established for the accrual of each amount. Similarly, the existence of a long-term tri-annual loyalty plan for said director has been mentioned, with no obligation arising to pay any amount with regard to said plan until March 2018, provided that the targets of the business plan have been met and the EBITDA established for the period from January 2015 to December 2017 has been attained.

B REMUNERATION POLICY FOR FUTURE YEARS

Derogated.

C OVERALL SUMMARY OF THE APPLICATION OF THE REMUNERATION POLICY DURING THE FINANCIAL YEAR ENDED

C.1 Summarise the main characteristics of the remuneration structure and items of the remuneration policy applied in the year ended, which details the individual remuneration earned by each of the directors

reflected in section D of this report, as well as the decisions taken by the Board regarding the application of such items.

Explain the structure and remuneration items of the remuneration policy applied during the financial year

Board members that are independent directors receive a total annual remuneration of 60,000 euros per year.

Neither the proprietary directors nor the external directors receive remuneration for their position.

As regards the remuneration of the executive director that holds the position of Chairman of the Board of Directors of the Company, we refer to the information reported above.

D BREAKDOWN OF INDIVIDUAL REMUNERATION EARNED BY EACH OF THE DIRECTORS

Nombre	Tipología	Periodo de devengo ejercicio 2017
JUAN RIVA DE ALDAMA	Independent	From 01/01/2017 to 31/12/2017.
MARCOS DE QUINTO ROMERO	Independent	From 22/06/2017 to 31/12/2017.
JOHN DERKACH	Independent	From 01/01/2017 to 31/12/2017.
PABLO JUANTEGUI AZPILICUETA	Executive	From 01/01/2017 to 31/12/2017.
FRANCISCO JAVIER GASPAR PARDO DE ANDRADE	Other external	From 01/01/2017 to 31/12/2017.
ALEJO MANUEL VIDAL-QUADRAS DE CARALT	Proprietary	From 01/01/2017 to 31/12/2017.
MARK ALISTAIR PORTERFIELD BROWN	Proprietary	From 22/06/2017 to 31/12/2017.
LUIS DANIEL SANZ SUAREZ	Independent	From 01/01/2017 to 31/12/2017.

D.1 Complete the following tables regarding the individualised remuneration of each of the directors (including the remuneration for the financial year for executive duties) earned during the financial year.

a) Remuneration earned at the company covered by this report:

i) Cash remuneration (thousands of euros)

Nombre	Salary	Fixed remuneration	Attendance fees	Long-term variable remuneration	Long-term variable remuneration	Remuneration for belonging to Board Committees	Termination benefits	Other remuneration	Total 2017	Total 2016
FRANCISCO JAVIER GASPAR PARDO DE ANDRADE	0	0	0	0	0	0	0	0	0	0
MARCOS DE QUINTO ROMERO	0	15	0	0	0	0	0	0	15	0
JUAN RIVA DE ALDAMA	0	60	0	0	0	0	0	0	60	47
LUIS DANIEL SANZ SUAREZ	0	60	0	0	0	0	0	0	60	48
JOHN DERKACH	0	60	0	0	0	0	0	0	60	48
MARK ALISTAIR PORTERFIELD BROWN	0	0	0	0	0	0	0	0	0	0

Nombre	Salary	Fixed remuneration	Attendance fees	Long-term variable remuneration	Long-term variable remuneration	Remuneration for belonging to Board Committees	Termination benefits	Other remuneration	Total 2017	Total 2016
ALEJO MANUEL VIDAL-QUADRAS DE CARALT	0	0	0	0	0	0	0	0	0	0
PABLO JUANTEGUI AZPILICUETA	0	610	0	260	0	0	0	0	870	9,160

ii) Share-based remuneration systems

PABLO JUANTEGUI AZPILICUETA N/A FRANCISCO JAVIER GASPAR PARDO DE ANDRADE												
Date of implementation	Ownership of options at beginning of 2017						Options allocated in 2017					
	No. Options	Shares affected	Exer. Price (euros)	Exercise period			No. Options	Shares affected	Exer. Price (euros)	Exercise period		
01/01/2017	0	0	0,00	n/a			0	0	0,00	n/a		
Conditions: N/A												
Shares delivered in 2017			Options exercised in 2017				Options expired and not exercised	Options at the end of 2017				
No. of shares	Price	Amount	Exer. Price (euros)	No. Options	Shares affected	Gross profit (thousands of euros)	No. options	No. Options	Shares affected	Exer. price (euros)	Exercise period	
0	0,00	0	0,00	0	0	0	0	0	0	0,00	n/a	
Other requirements for exercise: N/A												

FRANCISCO JAVIER GASPAR PARDO DE ANDRADE N/A												
Date of implementation	Ownership of options at beginning of 2017						Options allocated in 2017					
	No. Options	Shares affected	Exer. Price (euros)	Exercise period			No. Options	Shares affected	Exer. Price (euros)	Exercise period		
01/01/2017	0	0	0,00	n/a			0	0	0,00	n/a		
Conditions: N/A												
Shares delivered in 2017			Options exercised in 2017				Options expired and not exercised	Options at the end of 2017				
No. of shares	Price	Amount	Exer. Price (euros)	No. Options	Shares affected	Gross profit (thousands of euros)	No. options	No. Options	Shares affected	Exer. price (euros)	Exercise period	
0	0,00	0	0,00	0	0	0	0	0	0	0,00	n/a	
Other requirements for exercise: N/A												

ALEJO MANUEL VIDAL-QUADRAS DE CARALT N/A												
Date of implementation	Ownership of options at beginning of 2017						Options allocated in 2017					
	No. Options	Shares affected	Exer. Price (euros)	Exercise period			No. Options	Shares affected	Exer. Price (euros)	Exercise period		
01/01/2017	0	0	0,00	n/a			0	0	0,00	N/A		
Conditions: N/A												
Shares delivered in 2017			Options exercised in 2017				Options expired and not exercised	Options at the end of 2017				
No. of shares	Price	Amount	Exer. Price (euros)	No. Options	Shares affected	Gross profit (thousands of euros)	No. options	No. Options	Shares affected	Exer. price (euros)	Exercise period	
0	0,00	0	0,00	0	0	0	0	0	0	0,00	N/A	
Other requirements for exercise: N/A												

MARK ALISTAIR PORTERFIELD BROWN N/A												
Date of implementation	Ownership of options at beginning of 2017						Options allocated in 2017					
	No. Options	Shares affected	Exer. Price (euros)	Exercise period			No. Options	Shares affected	Exer. Price (euros)	Exercise period		
22/06/2017	0	0	0,00	n/a			0	0	0,00	N/A		
Conditions: N/A												
Shares delivered in 2017			Options exercised in 2017				Options expired and not exercised	Options at the end of 2017				
No. of shares	Price	Amount	Exer. Price (euros)	No. Options	Shares affected	Gross profit (thousands of euros)	No. options	No. Options	Shares affected	Exer. price (euros)	Exercise period	
0	0,00	0	0,00	0	0	0	0	0	0	0,00	N/A	
Other requirements for exercise: N/A												

JOHN DERKACH N/A												
Date of implementation	Ownership of options at beginning of 2017						Options allocated in 2017					
	No. Options	Shares affected	Exer. Price (euros)	Exercise period			No. Options	Shares affected	Exer. Price (euros)	Exercise period		
01/01/2017	0	0	0,00	n/a			0	0	0,00	N/A		
Conditions: N/A												
Shares delivered in 2017			Options exercised in 2017				Options expired and not exercised	Options at the end of 2017				
No. of shares	Price	Amount	Exer. Price (euros)	No. Options	Shares affected	Gross profit (thousands of euros)	No. options	No. Options	Shares affected	Exer. price (euros)	Exercise period	
0	0,00	0	0,00	0	0	0	0	0	0	0,00	N/A	
Other requirements for exercise: N/A												

LUIS DANIEL SANZ SUAREZ N/A												
Date of implementation	Ownership of options at beginning of 2017						Options allocated in 2017					
	No. Options	Shares affected	Exer. Price (euros)	Exercise period			No. Options	Shares affected	Exer. Price (euros)	Exercise period		
01/01/2017	0	0	0,00	n/a			0	0	0,00	N/A		
Conditions: N/A												
Shares delivered in 2017			Options exercised in 2017				Options expired and not exercised	Options at the end of 2017				
No. of shares	Price	Amount	Exer. Price (euros)	No. Options	Shares affected	Gross profit (thousands of euros)	No. options	No. Options	Shares affected	Exer. price (euros)	Exercise period	
0	0,00	0	0,00	0	0	0	0	0	0	0,00	N/A	
Other requirements for exercise: N/A												

JUAN RIVA DE ALDAMA N/A												
Date of implementation	Ownership of options at beginning of 2017						Options allocated in 2017					
	No. Options	Shares affected	Exer. Price (euros)	Exercise period			No. Options	Shares affected	Exer. Price (euros)	Exercise period		
01/01/2017	0	0	0,00	n/a			0	0	0,00	N/A		
Conditions: N/A												
Shares delivered in 2017			Options exercised in 2017				Options expired and not exercised	Options at the end of 2017				
No. of shares	Price	Amount	Exer. Price (euros)	No. Options	Shares affected	Gross profit (thousands of euros)	No. options	No. Options	Shares affected	Exer. price (euros)	Exercise period	
0	0,00	0	0,00	0	0	0	0	0	0	0,00	N/A	
Other requirements for exercise: N/A												

MARCOS DE QUINTO ROMERO N/A												
Date of implementation	Ownership of options at beginning of 2017						Options allocated in 2017					
	No. Options	Shares affected	Exer. Price (euros)	Exercise period			No. Options	Shares affected	Exer. Price (euros)	Exercise period		
22/06/2017	0	0	0,00	n/a			0	0	0,00	N/A		
Conditions: N/A												
Shares delivered in 2017			Options exercised in 2017				Options expired and not exercised	Options at the end of 2017				
No. of shares	Price	Amount	Exer. Price (euros)	No. Options	Shares affected	Gross profit (thousands of euros)	No. options	No. Options	Shares affected	Exer. price (euros)	Exercise period	
0	0,00	0	0,00	0	0	0	0	0	0	0,00	N/A	
Other requirements for exercise: N/A												

iii) Long-term savings plans

Name	Contribution for the year by the company (thousands of euros)		Amount of accumulated funds (thousands of euros)	
	FY 2017	FY 2016	FY 2017	FY 2016
FRANCISCO JAVIER GASPAR PARDO DE ANDRADE	0	0	0	0
ALEJO MANUEL VIDAL-QUADRAS DE CARALT	0	0	0	0
MARK ALISTAIR PORTERFIELD BROWN	0	0	0	0
JOHN DERKACH	0	0	0	0
LUIS DANIEL SANZ SUAREZ	0	0	0	0
JUAN RIVA DE ALDAMA	0	0	0	0
MARCOS DE QUINTO ROMERO	0	0	0	0
PABLO JUANTEGUI AZPILICUETA	137	120	257	120

iv) Other benefits (thousands of euros)

PABLO JUANTEGUI AZPILICUETA			
Remuneration in the form of advances, loans			
Interest rate for the transaction		Main features of the transaction	Amounts potentially returned
0,93		Five-year loan granted by the Company with an interest rate of Euribor + 1.	N/A
Life insurance premiums		Guarantees given by the Company in favour of the directors	
Year 2017	Year 2016	FY 2017	FY 2016
6.000	6.750	n/a	n/a

b) Remuneration earned by directors of the Company for belonging to boards of other Group companies:

i) Cash remuneration (thousands of euros)

Name	Salary	Fixed remuneration	Attendance fees	Short-term variable remuneration	Long-term variable remuneration	Remuneration for belonging to Board Committees	Termination benefits	Other remuneration	Total 2017	Total 2016
PABLO JUANTEGUI AZPILICUETA	0	0	0	0	0	0	0	0	0	0
FRANCISCO JAVIER GASPAR PARDO DE ANDRADE	0	0	0	0	0	0	0	0	0	0

ii) Share-based remuneration systems

iii) Long-term savings plans

c) Summary of remuneration (thousands of euros):

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

In the case of long-term saving systems, include contributions or funding for these types of systems:

Name	Remuneration earned at the Company				Remuneration earned at Group companies				Total		
	Total cash remuneration	Amount of shares granted	Gross profit on options exercised	Total 2017 Company	Total cash remuneration	Amount of shares delivered	Gross profit on options exercised	Total 2017 Group	Total 2017	Total 2016	Contribution to the savings systems in the year
PABLO JUANTEGUI AZPILICUETA	870	0	0	870	0	0	0	0	870	9.160	137
FRANCISCO JAVIER GASPAR PARDO DE ANDRADE	0	0	0	0	0	0	0	0	0	0	0
ALEJO MANUEL VIDAL-QUADRAS DE CARALT	0	0	0	0	0	0	0	0	0	0	0
MARK ALISTAIR PORTERFIELD BROWN	0	0	0	0	0	0	0	0	0	0	0
JOHN DERKACH	60	0	0	60	0	0	0	0	60	48	0
LUIS DANIEL SANZ SUAREZ	60	0	0	60	0	0	0	0	60	48	0
JUAN RIVA DE ALDAMA	60	0	0	60	0	0	0	0	60	47	0
MARCOS DE QUINTO ROMERO	15	0	0	15	0	0	0	0	15	0	0
TOTAL	1.065	0	0	1.065	0	0	0	0	1.065	9.303	137

D.2 Report the relationship between remuneration obtained by the directors and the results or other measures of the entity's performance, explaining how any changes in the Company's performance may have influenced changes in the remuneration of the directors.

Variations in Company performance can only affect the remuneration received by the executive director acting as Chairman of the Board of Directors of the Company, given that it is the only beneficiary of variable remuneration.

D.3 Report the results of the consultative vote of the shareholders on the Annual Remuneration Report for the preceding financial year, indicating the number of votes against, if any:

	Number	% of total
Votes cast	66,039,944	100.00%

	Number	% of total
Votes against	16,867,589	25.54%
Votes in favour	41,235,128	62.44%
Abstentions	7,937,227	12.02%

E OTHER INFORMATION OF INTEREST

If there are any significant aspects regarding directors' remuneration that could not be included in the other sections of this report but should be included in order to provide more complete and well-reasoned information regarding the remuneration structure and practices of the Company with respect to its directors, briefly describe them.

N/A

This Annual Remuneration Report was adopted by the Company's Board of Directors at its meeting held on 27/02/2018.

List whether any directors voted against or abstained from voting on the approval of this Report.

Yes

No