

MEDIASET *españa.*

**RULES OF THE APPOINTMENTS
AND REMUNERATION COMMITTEE
OF**

MEDIASET ESPAÑA COMUNICACIÓN, S.A.

December 2015

Article 1: General Provisions

The Appointments and Remuneration Committee set up by the Board of Directors of Mediaset España Comunicación S.A. shall be governed by the provisions of the Articles of Association, the Rules of the Board of Directors and these Rules.

Article 2: Objective

The objective of these Rules is to establish guidelines for the activities of the Appointments and Remuneration Committee of Mediaset España Comunicación S.A: (hereinafter Mediaset), as well as its organization and operating rules.

Article 3: Composition

The members of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among those of its members who possess the knowledge and experience required.

The Appointments and Remuneration Committee shall be composed of four (4) outside directors, and the Board of Directors shall strive to maintain a balance between directors representing groups of shareholders and independent directors. Without prejudice to the above, the executive directors and senior management shall attend the meetings if expressly requested to do so by the Committee.

The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors and shall be replaced every four (4) years. He may be re-elected after a period of one (1) year has elapsed since he stepped down.

The Appointments and Remuneration Committee shall have a Secretary, who does not have to be a member of the Committee, and in no case may be an executive director.

The members of the Appointments and Remuneration Committee shall be appointed and dismissed by the Board of Directors, and shall always be obliged to stand down as members of the Committee when they do so as members of the Board of Directors.

If there is a vacancy for the position of Chairman, or if he is absent or ill, he shall be replaced by the oldest member present. In the case of the Secretary, the post shall be filled by the youngest of the members.

Article 4: Operation

4.1: Notice and venue of meetings

The Appointments and Remuneration Committee shall meet as often as necessary, upon being convened by the Chairman acting on his own initiative or in response to a request by three (3) Committee members, the Executive Committee or the Board of Directors. In any case, it shall meet twice (2 times) a year to prepare the information on the remunerations of directors that is to be approved by the Board of Directors and included in its annual disclosure documents.

The notice convening the meeting shall be issued at least forty-eight (48) hours in advance.

Without prejudice to the stipulations above, the Appointments and Remuneration Committee shall be considered to be validly constituted without the need for a notice convening the meeting if all its members, whether present in person or by proxy, unanimously agree that the meeting be held and accept the points to be dealt with in the agenda.

If there are justifiable reasons for doing so, the Chairman may convene the Appointments and Remuneration Committee by telephone. In this case, the minimum notice and other requirements outlined above shall not apply.

The meetings of the Appointments and Remuneration Committee shall be held at the company's registered office, or in any other place decided on by the Chairman and designated at the time when the meeting is convened.

4.2: Constitution and approval of resolutions

The Appointments and Remuneration Committee shall be deemed to be validly constituted when at least one half plus one of its membership are present personally or by proxy. Its resolutions shall be approved when voted for by a majority of those present.

In the event of a tie, the Chairman has the casting vote. The members of the Committee may grant proxies to other members, with a maximum of two (2) proxies being held by any one member.

Any member of the management team or of the staff of Mediaset who is asked to attend the meetings and cooperate with the Appointments and Remuneration Committee or furnish any information available to him is required to do so. At the same time, any other person not related to Mediaset may also attend the meetings of the Committee if his presence is considered necessary.

The Secretary of the Appointments and Remuneration Committee shall take the minutes of each meeting, which shall then be reported to the Board of Directors.

The Appointments and Remuneration Committee will prepare an annual report of its activities during the year, which will serve as a basis for the evaluation, by the Board of Directors, of the Committee's functioning.

Article 5: Functions

1. The main functions of the Appointments and Remuneration Committee are, but are not limited to, the following:

- (a) To protect the integrity of the process of hiring directors and senior executives, to ensure that the candidates meet the required profile (in terms of knowledge, experience and skills) and, in particular, to make proposals to the Board of Directors on appointing or dismissing directors, as well as to propose to the Board who the members of each of the Committees should be. The Committee will consider potential candidates to fill vacancies on the Board, proposed by any of its members.
- (b) To advise on the dedication required from the directors in carrying out their duties.
- (c) To advise on the number of boards on which the members of the Board of Directors may sit. A report shall be issued by the Committee on members of the Board of Directors before they join the boards of directors of other companies.
- (d) To obtain information defining the other professional duties of the directors.
- (e) To advise the Board of Directors on replacements for the Chairman and senior executives in the Company, making any suggestions it may deem fit.
- (f) Present the Board of Directors, with proposals for, the appointment of independent directors who are to be appointed by co-optation or, for the consideration of the General Meeting, as well as, the proposals for re-election or removal of such Directors by the General Meeting of Shareholders;
- (g) Report on appointment proposals of the remaining Directors for their appointment by co-optation or for the consideration of the General Meeting and the proposals for re-election or removal by the General Meeting;
- (h) To inform the Board of Directors on any appointments and dismissals of senior executives which may take place within the Company and propose the basic conditions of their contracts.

- (i) To inform the Board of Directors about questions relating to gender diversity, ensuring that the selection procedures for filling new vacancies do not result an obstacle for the selection of female directors. At the same time, the Committee shall encourage the Company to search for and include women in the list of candidates meeting the required professional profile.
- (j) Establish a target of representation for the underrepresented gender on the Board of Directors and develop guidance on how to achieve that objective;
- (k) To advise the Board of Directors on the dismissal and appointment of the Secretary.
- (l) To see to it that the directors perform their obligations and duties as foreseen in these Rules and in the Articles of Association.
- (m) Periodically review the remuneration policy applied to directors and senior management, including remuneration systems involving shares and its application, as well as ensuring that individual remuneration is proportionate to that of the other directors and senior executives of the Company.
- (n) To see to the transparency of remunerations and that information on the remuneration of the directors is included in the Annual Report and in the Annual Governance Report, submitting to the Board all such information as may be in order to that effect.
- (o) To assist the Board of Directors in evaluating the Chairman of the Committee and the senior executives in the Company; and specifically, to assist in determining and monitoring the remuneration policy for directors and senior executives, proposing the form, procedure and amount of the annual remuneration of the directors (including any proposed incentives such as share option schemes), regularly revising the remuneration plans and seeking to ensure the remuneration of the directors meets criteria of moderation and adequacy in the light of the Company's results.
- (p) To draw up and verify a Report on the Policy of Directors' Remuneration for approval by the Board of Directors, to be presented before the General Shareholders' Meeting.
- (q) To advise the Board of Directors on the status which each director should be awarded when he is appointed or renewed in his position, and to revise it annually when the Annual Corporate Governance Report is drawn up.

2. Scope of Functions

The functions outlined above are merely of an informative and consultative nature, except when the General Shareholders' Meeting and the Articles of Association establish otherwise for specific matters.

3. The Appointments and Remuneration Committee shall inform the Board of Directors of its activity and the work it has carried out in the first full Board meeting after the meetings of the Committee.

Notwithstanding the above, at least once a year the Appointments and Remuneration Committee shall draw up a report on the activities carried out during the business year, and this shall be presented to the Board of Directors.

Article 6: Expert assistance

The Appointments and Remuneration Committee may propose to the Board of Directors the hiring of legal counsels, accountants, and financial, commercial or other experts to assist in the performance of its duties. These experts may be requested for dealing with specific problems having a certain significance and degree of complexity which may arise during the performance of the Committee's duties.

The request for hiring shall be made through the Chairman or Secretary of the Appointments and Remuneration Committee, who may seek approval from the Board of Directors before hiring the experts in question. The Board may refuse if there are reasons for doing so, including any of the following among others:

- a) If the request for and assistance from experts are not necessary for the proper performance of duties by the members of the Committee.
- b) If the associated cost of expert assistance is unreasonable considering the importance of the problem and Mediaset's financial situation.
- c) If the technical assistance which could be offered can be adequately provided by experts and specialists within Mediaset.
- d) If on the grounds of confidentiality, it is not advisable for the expert in question to gain access to sensitive information.

At the same time, the Appointments and Remuneration Committee may request any member of the Mediaset team to cooperate in offering advice on any matter related to his or her competence.

In this regard, the Committee will ensure that any conflict of interest does not impair the independence of the external advice that is given.

Article 7: Entry into force and modifications

The present Rules shall be submitted to the approval of the Board of Directors on the proposal of the Appointments and Remuneration Committee, and enter into force once approved by the Board of Directors.

Any modifications to the Rules may be proposed either by the Appointments and Remuneration Committee or the Board of Directors and shall in any case be passed by the latter.

The proposal for modifications, accompanied by a report justifying the proposal, shall be attached to the document convening the meeting of the Board of Directors at which a decision should be made on the proposal.