

## ANEX 1

### ANNUAL REMUNERATION REPORT OF THE DIRECTORS OF LISTED COMPANIES

#### IDENTIFICATION DETAILS OF THE ISSUER

<b>YEAR END DATE OF REFERENCE</b>	31/12/2013
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<b>C.I.F.</b>	A-79075438
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<b>COMPANY NAME</b>
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MEDIASET ESPAÑA COMUNICACION, S.A.
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<b>REGISTERED OFFICE</b>
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CARRETERA DE FUENCARRAL A ALCOBENDAS, 4, MADRID
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## MODEL ANNUAL REMUNERATION REPORT OF THE DIRECTORS OF LISTED COMPANIES

### A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT BUSINESS YEAR

A.1 Explain the remuneration policy of the Company. This section shall include information on:

- General principles and foundations of the remuneration policy.
- Significant changes made in relation to the remuneration policy applied during the previous year and the changes that have been made during the year on the conditions of exercise of previously awarded options.
- Criteria and composition of groups of comparable companies whose remuneration policies have been considered when establishing the remuneration policy of the company.
- The relative importance of variable vs. fixed remuneration and the criteria used to determine the various components of the remuneration package of the directors (remuneration mix).

#### Explain the remuneration policy

The remuneration policy of the directors of the company is regulated by Articles 37 and 56 of the By-Laws and Article 28 of the Regulations of the Board of Directors of the company. In those provisions it is established who are the competent bodies to approve or modify the remuneration policy, the principles on which it is based, its structure and its purpose.

The remuneration policy of Directors has the following main purposes:

- That the Directors receive remuneration according to the responsibilities assigned to them and with the dedication employed.
- That it is incentive and hence, is likely to retain the most valuable professionals.
- That it is in line with the established market standards of companies of similar size and activity.

In the case of independent directors, this policy also seeks that the amount of their compensation is such that it provides incentives for their dedication and service to the Company, but that it does not compromise their independence.

The remuneration policy of the company with respect to its executive directors has not substantially changed in recent years: the presence of a fixed part, complemented by a variable component tied to the results obtained in terms of the budgetary targets, has been a constant in the history of this Company

A.2 Information about the preparatory work and the decision making process has been followed to determine the remuneration policy and role played, if any, by the Remuneration Committee and other supervisory bodies in setting the remuneration policy. This information shall include, where appropriate, the mandate and composition of the Remuneration Committee and the identity of the external consultants whose services have been used to determine the remuneration policy. Likewise the position of the directors, if any, who have been involved in the definition of the remuneration policy, shall be expressed.

#### Explain the process for determining the remuneration policy

Due to the importance that the remuneration policy has for our shareholders, in the process of definition and approval, different management bodies of the company intervene.

The definition of the remuneration policy of the company begins within the Appointments and Remuneration Committee which oversees and approves the main lines of the remuneration of directors and formulates this report.

The Appointments and Remuneration Committee is composed of the following directors: Mr. Borja Prado Eulate, (Chairman / Independent Director), D. Fedele Confalonieri, Proprietary Director, Giuliano D. Andreani, Proprietary Director, D. Manuel Polanco, Proprietary Director and D. Angel Durández Adeva, Independent Director.

Once the report has been prepared and, in accordance with Article 37.2 of the Bylaws, it is the Board of Directors who are attributed to approve the remuneration policy for directors.

In the approval of the report each and every one of the members of the Board of Directors have been actively involved and, under the direction and coordination of its Chairman, taking into account the comments and suggestions made by them.

It should be noted that external consultants have not been hired in the process of developing the remuneration policy-

Finally and in order to increase transparency and participation of our shareholders in this process, Mediaset España has taken a step further in terms of corporate governance, submitting the Remuneration Report to a binding vote at the General Meeting held in 2013. The report was approved by 81.26% of the share capital, thus allowing the participation of our shareholders in the issue of remuneration is similar to that of the other issues discussed at the AGM.

**A3. Indicate the amount and nature of the fixed components, itemized where necessary, the remunerations for the performance of senior management functions of the executive directors, the additional remuneration as chairman or member of any committee of the board, allowances for participating in the board and its committees and other fixed director payments and an estimate of the fixed annual payment to which they give rise. Identify other benefits that are not paid in cash and the basic parameters for which are given.**

Explain the fixed components of remuneration
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The members of the Board of Directors, in their capacity as such, are entitled to receive remuneration consisting of a fixed annual amount and fees for attending.

The General Shareholders Meeting determines the maximum amount that the Company can satisfy, for the concepts provided to all the Directors; Provisions are updated annually based on the increase in the consumer price index, and such quantity is not expressly amended by the Board.

The General Shareholders Meeting, in its meeting held on April 17<sup>th</sup>, 2013, approved to fix the maximum amount that Mediaset could grant to all of its Directors, during the financial year 2013 in respect of (i) fixed annual remuneration and (ii) attendance fees, in the amount of two million five hundred thousand (2,500,000) Euros.

This agreement was approved by 99.95% of votes, 0.04% of the votes were against and 0.006% abstained and 0.003% were blank votes.

Meanwhile, the Board of Directors determines the exact amount to be paid within such limit and the distribution among the various Directors. In this regard a resolution dated February 27<sup>th</sup>, 2013, the amount was set at 60,000 Euros set by the directors to receive 4,000 Euros attendance fees, the presidents of the Appointments and Remuneration Committee and the Audit and Compliance Committee will amount to 8,000 Euros. In this sense, it should be added to the amount of the fixed annual remuneration and the attendance allowances are still the same as three years ago, the Board of Directors decided to reduce them.

The amount paid to all of the directors in 2013 in respect of fixed annual remuneration and attendance fees, has been promoted to the amount of 1,488,000 Euros, well below to the limit set by the General Meeting.

Additionally, in accordance with the provisions of the bylaws, the executive directors are entitled to receive a fixed fee appropriate to their responsibilities and fixed services.

Fixed amounts received by executive directors were as follows:  
Paolo Vasile - CEO  
Fixed remuneration salary: 831,047 Euros.  
Fixed remuneration of the Board: 60,000 Euros  
Attendance allowance: 32,000 Euros.

Giuseppe Tringali - CEO  
Fixed remuneration salary: 831,047 Euros.

Fixed remuneration of the Board: 60,000 Euros  
Attendance allowance: 32,000 Euros.

Massimo Musolino - Director - General Operations Manager

Fixed remuneration salary: 499,171 Euros  
Fixed remuneration of the Board: 60,000 Euros  
Attendance allowance: 24,000 Euros.

Also, the Chairman of the Board of Directors, who has no executive functions, may receive additional remuneration to the special dedication required by his position, to be approved by the Board. Fixed payment amount in 2013 by Alejandro Echevarría was 634,649.52 Euros. He also received the amount of 60,000 Euros in fixed compensation of the Board of Administration and 64,000 Euros for attendance allowances at the same.

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

In particular:

- Identify each of the remunerative plans of which the directors are beneficiaries, its scope, and date of approval, implementation date, validity period and its main features. In the case of share option plans and other financial instruments, the general features of the plan will include information on the exercise conditions of such options or financial instruments for each plan.
- Indicate any remuneration from profit sharing or bonuses and why they were granted.
- Explain the basic parameters and grounds for any annual bonuses system (bonus).
- The classes of directors (executive directors, external directors, independent directors or other external directors) who are beneficiaries of remuneration schemes or plans that incorporate a variable remuneration.
- The foundation of such variable remuneration schemes or plans, the evaluation criteria of the elected performance as well as the components and methods of evaluation to determine whether or not they have met the criteria of evaluation and an estimation of the total amount of variable remuneration which would give rise to the current remuneration plan, depending on the degree of compliance with hypotheses or objectives used as a reference.
- Where appropriate, the deferral periods or deferred payments that have been established and / or retention periods of shares or other financial instruments, if any will be given.

Explain the variable elements the remuneration systems
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Article 56 of the Bylaws states that executive directors are entitled to a variable proportion, which correlates with an indicator of the performance of the director or the company. Determining indicators for calculating the variable portion is approved by the Board of Directors following a favorable report by the Appointments and Remuneration Committee. Additionally, they may receive stock or stock options or remuneration linked to the value of the shares.

Currently there are three executive directors, Paolo Vasile and Giuseppe Tringali, both Managing Directors, and Massimo Musolino.

In relation to the CEOs, the objectives set by the Board of Directors for 2013 were threefold: (i) income, (ii) Consolidated group EBIT and (iii) Free Cash Flow, assigning to each of these objectives a weighting percentage basis (50%, 25% and 25% respectively).

The bonus set in 2013, for the compliance level of 100% with objectives was 409,000 Euros, graduating depending on achievement of those objectives. The maximum bonus that can be based on this system amounted to € 531,700, which would correspond to a level of achievement equal to or higher than 105%. An achievement level of lower than 85%, the bonus is not payable.

With regards to the third executive director, Mr. Massimo Musolino, his variable remuneration system enables the obtaining of a bonus of up to 50% of fixed remuneration. 36% of it depends on the achievement of individual objectives, the same business objectives (that shape the bonus) and 28% for the evaluation of his performance.

As far as remuneration plans are concerned, the stock option plans the executive Directors are currently participating in are:

-The 2009 Plan, approved by respective resolutions of the General Meeting and the Board of Directors dated 1<sup>st</sup> April and 29<sup>th</sup> July 2009 respectively. Being exercised until 28<sup>th</sup> July 2014. Exercise price of each option: 5.21 Euros. Options allocated in terms of the stated objectives: 25%.

- The 2010 Plan, two agreements approved by the General Meeting and the Board of Directors dated 14<sup>th</sup> April and 28<sup>th</sup> July 2010 respectively. Being exercised until 27<sup>th</sup> July 2015. Exercise price of each option: 7.00 Euros. Options allocated in terms of the stated objectives: 100%.

- The 2011 Plan, approved by respective resolutions of the General Meeting and the Board of Directors dated 13<sup>th</sup> April and 27<sup>th</sup> July 2011 respectively. In accrual phase. Exercisable between 27<sup>th</sup> July 2014 and 26<sup>th</sup> July 2016. Exercise price of each option: 5.83 Euros. Options allocated in terms of the stated objectives: 50%.

The exercise of the three plans mentioned above depend on the achievement of the following objectives: (i) EBIT and (ii) Free Cash Flow of the corresponding year for each plan, and (iii) staying in the company during the vesting period (two years after the adoption of the plan).

There is no profit sharing nor is it planned for the 2013 bonuses or any rewards different to those mentioned systems.

**A.5 Explain the main features of the long-term savings systems, including retirement and any other survivorship benefits, financed partly or wholly by the company, whether internally or externally gifted, with an estimate of their amount or equivalent annual cost, indicating the type of plan, if it is a contribution or a fixed benefit, conditions for strengthening the economic rights of directors and compatibility with any type of compensation for early termination of the contractual relationship between the company and the director.**

Also indicate the contributions on behalf of directors' plans to fixed contribution pension or the increase of vested rights in the case of contributions to fixed benefit plans.

Explain long-term savings schemes

Long-term savings schemes do not exist.

**A.6 Indicate any agreed or paid indemnities in the case of termination of appointment as a director.**

Explain the Indemnifications

There are no agreed or paid indemnities in the case of termination of appointment as a director, except as provided in the contract of employment of the executive director Mr. Massimo Musolino, which has an armor system dependent on its common employment relationship with the following content:

1) Voluntary redundancy: accrual per year: Fixed salary + bonus, year divided by 13.5, the total remuneration is the sum of the amounts generated by the number of years of work:

- (total salary / 13.5) x number of years of worked
- Allows partial settlements as accruing over the periods.

2) Termination by fair or unfair dismissal: legal allowance, as provided for in point 1) above

A.7 Indicate the conditions to be respected in the contracts of those who are exercising executive functions in management as executive directors. Among others, information about the duration, limits on amounts of indemnifications, permanence clauses, notice periods and payments as a replacement of that notice period, and any other clauses regarding hiring bonuses, as well as indemnifications for early termination or termination of the contractual relationship between the company and the executive director. Including, among others, covenants or non-compete agreements, exclusivity, permanence or loyalty and post-contractual non-compete.

Explain the conditions of the executive directors' contracts

Paolo Vasile's and Giuseppe Tringali's contracts with Mediaset España are commercial in nature and are linked in terms of duration and functions to their respective CEO status of the Company, without providing shielding conditions or permanency.

As for the contract of the executive director Mr. Massimo Musolino, it is governed by employment legislation, no special conditions exist, except those mentioned in the preceding paragraph, concerning allowances. In this case, yes there is an exclusivity clause, which prohibits concurrency, and the prohibition of joining another company, maintain employment or professional, direct or indirect relationship with persons, companies and entities engaged in business or commercial activities that are or may be in competition with the objects of Mediaset, or the specific activity performed by it. As for the period of notice specified, in the case of resignation it is set to two (2) months. In the case of noncompliance, Mediaset will be entitled to deduct the assets for the period defaulted from the liquidation

A.8 Explain any additional remuneration paid to directors for services rendered other than those inherent in their position.

Explain the supplementary remuneration.

There is no additional remuneration paid to directors for the services rendered other than those inherent in their position.

A.9 Indicate any remuneration in the form of advances, credits and guarantees, indicating the interest rate, its key features and any amounts repaid, as well as the obligations on their behalf by way of guarantee.

Explain advances, credits and guarantees

During the financial year 2013 there have not been any advances, loans or guarantees granted.

A.10 Explain the main features of remuneration in kind

Explain remuneration in kind

As part of their remuneration the CEOs receive remuneration in kind of the following concepts:

- (i) company car;
- (ii) housing and parking, if applicable;
- (iii) Life and Accident insurance
- (iv) Medical Insurance for himself and his beneficiaries and
- (v) Taxable income

A.11 Indicate the remuneration accrued by the board member by virtue of payments made by the listed company to a third party in which the board member provides services when such payments are meant to serve as remuneration for his services in the company.

Explain the compensation payable by the board member by virtue of payments made by the listed Company to a third party in which the board member provides services.

During 2013 the company has not made payments to a third party in which any member of the Board provides his services to.

A12. Any other remunerative concept other than those mentioned above, whatever their nature or company of the group which meets it, especially when it is considered a related party transaction or the issuance distorts the true picture of total remuneration earned by the director.

**Explain other concepts of remuneration.**

There are no additional remuneration concepts to those already mentioned in this report.

A.13 Explain the actions taken by the company in relation to the remuneration scheme to reduce excessive risk exposure and adjust the objectives, values and long-term interests of the company, which shall include, where appropriate, a reference to: measures envisaged to ensure that the remuneration policy takes the long-term results of the company into account, measures establishing an appropriate balance between fixed and variable components of remuneration, measures taken in relation to those categories of staff whose professional activities have a material impact on the risk profile of the company, recovery formulas or clauses to reclaim variable components of remuneration based on the results when such components are paid on the basis of data, which has subsequently proven to be manifestly inaccurate and measures designed to prevent conflicts of interest, where applicable.

**Explain the actions taken to reduce the risks**

The Board believes that there is a appropriate relationship between fixed remuneration and variable remuneration of the CEOs of the Company from the time that the latter, at its maximum, can be up to 40% of the total compensation that can accrue in their favor including all concepts.

We understand that this ratio fully meets the objectives of proportionality, preservation and encouragement, as we have noted in previous sections, you must comply with the variable remuneration system.

Regarding the existence of policies for the prevention or the resolution of a conflict of interest situation:

The Regulations of the Board of Directors provides in Article 35 that its:

"Directors should refrain from attending and participating in deliberations on matters in which they have a personal interest.

It will also be considered a personal interest when the matter affects any person related to a director.

The director, by himself or through related persons shall not perform professional or commercial transactions with the Company unless the conflict of interests is previously reported to the Board, following a report from the Appointments and Remuneration Committee approving the operation".

In turn, Mediaset España and its Group of Companies Ethics Code provides that:

"Conflict of interest is defined as any situation in which conflict arises between (or may arise), whether directly or indirectly, the interests of the Company, or the integrated companies of Mediaset España- on the one hand, and the personal interest of the person subject to compliance with this code on the other. A personal interest will exist when the matter affects, either directly or indirectly through a related person with them. In this regard, it will be regulated in this document and also in the "Internal Rules of Conduct of Mediaset España Comunicacion and its group of companies in its action in the Stock Market."

The latter document provides the following in relation to conflicts of interest:

"Persons affected by this Regulation, except for the Directors of the Company, which shall be governed in this matter by the provisions of the regulations of the Board of Directors are required to inform the Director of the Compliance Department (hereinafter DCN ) about possible conflicts of interest "

"Conflict of interest is defined as any situation in which conflict arises between (or may arise), whether directly or indirectly, the interests of the Company, the integrated companies of Mediaset España and the personal interest of the person subject to this internal Regulation of Conduct. A personal interest will exist when the matter affects her or a Person linked with them.

When communicating to the Director of the DCN, the Affected Person shall state that the conflict affects him personally or through a Related Person, in which case you should identify them. Also specify the circumstances that led to the conflict, detailing, where appropriate, the object and the principal terms of the transaction or decision, the amount or approximate economic evaluation, and the Department or the person of the company Mediaset España with which they had the respective contacts.

Once aware of the commencement of such contacts, the Affected Person shall give such notice immediately and in any case before the appropriate decision-making or closing of the transaction. This information must be kept up to date taking into account any changes or separations of the situations previously mentioned.

If in doubt about whether the Affected Person could be involved in a conflict of interest for any reason, such Person shall transfer the query in writing to the DCN. The Affected Person must also refrain from taking any action until the query is answered by the Director of the DCN.

Also, the Affected Person must not participate in or influence the decision-making by any other corporate body, committee or division involved in the transaction or decision that may affect persons or entities with which a conflict exists. Similarly, the Affected Person must not access confidential information related to such conflict.

In the case of Company Directors, the Secretary of the Board shall inform the DCN of the conflicts of interest that he has been notified of.

## **B: FORECASTED FUTURE REMUNERATION POLICY**

**B1. Complete a forecast of the remuneration policy for future years that describes the policy regarding allowances and fixed components and allowances and variable of remuneration, the relationship between pay and performance, forecast systems, conditions of executive directors' contracts and forecast the most significant changes in the remuneration policy with respect to previous years.**

### **General Forecast of the remuneration policy**

Regarding the financial year 2014, the Board of Directors approved maintaining the sixty-two thousand five hundred (62,500) Euros as the amount of fixed annual remuneration to be received by each director, and four thousand (4,000) Euros as the amount to be received for attending the Board of Directors and its committees, in the case of the Presidents it shall be eight thousand (8,000) Euros.

Regarding the amount of remuneration for Executive Directors, the same scheme will be followed in 2013 indicated above, without any update.

As in previous years, the accrual and quantification of the variable remuneration depends on the degree of achievement of the budget of the Company for the financial year 2014, particularly in regard to the following three variables: gross advertising revenues, EBIT and free Consolidated Group cash flow.

There are not therefore any foreseeable significant changes in the remuneration policy with respect to that applied in prior years.

**B.2 Explain the decision-making process for the configuration of the remuneration policy planned for future years, and the role, if any, of the remuneration committee.**

### **Explain the decision making process for configuring the remuneration policy.**

Decision making related to the remuneration policy for future years will follow the same procedure that we discussed in this report. The appointments and remuneration committee shall advise the Board of Directors and approve the general terms of remuneration of the directors of the company that will be reflected in this report.

In this regard, the appointments and remuneration Committee shall approve the fixed amounts and attendance fees to be applied in 2014, and the criteria for determining the variable remuneration of the executive directors and the fixed and variable remuneration of the Chairman of the Board of Directors. The remuneration proposals will be put by the Committee to the Board for approval.

Then the Board will review and approve, if appropriate, remunerative terms and remuneration proposals made by the Appointments and Remuneration Committee

If approved, the said body will submit the following resolutions to shareholder voting:

- (i) fixing the limit of the joint annual remuneration to be received by the Directors of the Company;
- (ii) the establishment of a remuneration scheme for Executive Directors and Executives of the Company and its Group of companies and
- (iii) approval of this report. As we have previously mentioned the annual remuneration report will be subjected to a binding vote.



B.3 Explain the incentives created by the company in the remuneration scheme to reduce excessive risk exposure and adjust the objectives, values and long-term interests of the Company.

**Explain the incentives created to reduce risks**

There is at present no plan for long-term remuneration within the company.

**C GLOBAL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE LAST FINANCIAL YEAR ENDED**

C1. Briefly explain the main features of the structure and remunerative concepts of the remuneration policy applied in the Financial Year Ended, leading to the breakdown of the individual remuneration earned by each of the directors that are reflected in Section D of this report and a summary of the decisions taken by the board to implement these concepts.

**Explain the structure of remunerative concepts and the remuneration policy applied during the year**

During 2013 the total amounts received by the Directors as detailed in section D, have been granted for the following concepts:

Remuneration for membership of the Board of Directors Expenses for attendance at meetings of the Board of Directors.

In addition to the above concepts executive Directors, Mr. Paolo Vasile, and Mr. Giuseppe Tringali and Mr. Massimo Musolino received remuneration for the following:

Remuneration for the performance of executive duties.

Variable remuneration correlated to performance indicators of the director and of Mediaset.

Benefits, including pension systems and insurance.

For his part the Chairman of the Board of Directors, who has no executive functions, has received a complementary remuneration consisting of a fixed amount and a variable, which has been granted in response to the special dedication required by his office.

**D BREAKDOWN OF INDIVIDUAL REMUNERATION ACCRUED BY EACH OF DIRECTORS**

Name	Type	Remuneration financial year 2013
PAOLO VASILE	Executive	From 01/01/2013 to 31/12/2013.
MANUEL POLANCO MORENO	Proprietary Board member	From 01/01/2013 to 31/12/2013.
JUAN LUIS CEBRIAN ECHARRI	Proprietary Board member	From 01/01/2013 to 31/12/2013.
JOSE RAMON ALVAREZ-RENDUELES	Independent Board member	From 01/01/2013 to 31/12/2013.
HELENA REVOREDO DELVECCHIO	Independent Board member	From 01/01/2013 to 31/12/2013.
MASSIMO MUSOLINO	Executive	From 01/01/2013 to 31/12/2013.
FRANCISCO DE BORJA PRADO EULATE	Independent Board member	From 01/01/2013 to 31/12/2013.
ALEJANDRO ECHEVARRIA BUSQUET	Independent Board member	From 01/01/2013 to 31/12/2013.
FEDELE CONFALONIERI	Proprietary Board member	From 01/01/2013 to 31/12/2013.
GIUSEPPE TRINGALI	Executive	From 01/01/2013 to 31/12/2013.
GIULIANO ADREANI	Proprietary Board member	From 01/01/2013 to 31/12/2013.
PIER SILVIO BERLUSCONI	Proprietary Board member	From 01/01/2013 to 31/12/2013.
ANGEL DURANDEZ ADEVA	Independent Board member	From 01/01/2013 to 31/12/2013.
MARCO GIORDANI	Proprietary Board member	From 01/01/2013 to 31/12/2013.
ALFREDO MESSINA	Proprietary Board member	From 01/01/2013 to 31/12/2013.

D.1 Fill out the following tables on the individual remuneration of each of the Board of Directors (including remuneration for the period of executive functions) accrued during the year.

**a) Remuneration accrued in the company covered in this report:**

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

Name	Salaries	Fixed Remuneration	Allowances	Short Term Variable Remuneration	Long Term Variable Remuneration	Remuneration for membership of Board Committees	Indemnifications	Other items	Total Financial Year 2013	Total Financial year 2012
JOSE RAMON ALVAREZ-RENDUELES	0	60	72	0	0	0	0	0	132	126
ANGEL DURANDEZ ADEVA	0	60	48	0	0	0	0	0	108	110
HELENA REVOREDO DELVECCHIO	0	60	20	0	0	0	0	0	80	86
MANUEL POLANCO MORENO	0	60	36	0	0	0	0	0	96	98
FRANCISCO DE BORJA PRADO EULATE	0	60	32	0	0	0	0	0	92	95
JUAN LUIS CEBRIAN ECHARRI	0	60	28	0	0	0	0	0	88	98
PIER SILVIO BERLUSCONI	0	60	0	0	0	0	0	0	60	63
GIULIANO ADREANI	0	60	56	0	0	0	0	0	116	123
MARCO GIORDANI	0	60	44	0	0	0	0	0	104	107
ALFREDO MESSINA	0	60	44	0	0	0	0	0	104	83
FEDELE CONFALONIERI	0	60	56	0	0	0	0	0	116	123
PAOLO VASILE	831	60	32	532	0	0	0	68	1.523	1.339
MASSIMO MUSOLINO	499	60	24	229	0	0	0	18	830	825
GIUSEPPE TRINGALI	0	60	32	0	0	0	0	0	92	99
ALEJANDRO ECHEVARRIA BUSQUET	0	60	64	266	0	0	0	634	1.024	943

**ii) Payments schemes based on shares**

**iii) Long term saving schemes**

iv) Other benefits (in thousands of €)

<b>PAOLO VASILE</b>			
<b>Advanced remuneration, loans granted</b>			
<b>Type of interest rate for the operation</b>		<b>Essential features of the operation</b>	<b>Any repaid amounts</b>
0,00		N/A	N/A
<b>Life insurance premiums</b>		<b>Guarantees given by the company in favor of Board Members</b>	
<b>Financial Year 2013</b>	<b>Financial Year 2012</b>	<b>Financial Year 2013</b>	<b>Financial Year 2012</b>
13	13	None	None

<b>MASSIMO MUSOLINO</b>			
<b>Advances remuneration, loans granted</b>			
<b>Type of interest rate for the operation</b>		<b>Essential features of the operation</b>	<b>Any repaid amounts</b>
0,00		N/A	N/A
<b>Life insurance premiums</b>		<b>Guarantees given by the company in favor of Board Members</b>	
<b>Financial Year 2013</b>	<b>Financial Year 2012</b>	<b>Financial Year 2013</b>	<b>Financial Year 2012</b>
4	5	None	None

**b) Remunerations accrued by the board members of the company for membership of the Board in other companies of the group:**

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

Name	Salaries	Fixed Remuneration	Allowances	Short Term Variable Remuneration	Long Term Variable Remuneration	Remuneration for membership of Board Committees	Indemnifications	Other items	Total Financial Year 2013	Total Financial year 2012
GIUSEPPE TRINGALI	831	0	0	532	0	0	0	31	1.394	1.189

**ii) Payment schemes based on shares**

**iii) Long term saving schemes**

iv) Other benefits (in thousands of €)

<b>GIUSEPPE TRINGALI</b>			
<b>Advanced remuneration, loans granted</b>			
<b>Type of interest rate for the operation</b>		<b>Interest rate operation</b>	<b>Interest rate operation</b>
0,00		N/A	N/A
<b>Life insurance premiums</b>		<b>Guarantees given by the company in favor of Board Members</b>	
<b>Financial Year 2013</b>	<b>Financial Year 2012</b>	<b>Financial Year 2013</b>	<b>Financial Year 2012</b>
12	14	None	None

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

This summary must include all amounts of remuneration included in this report which have been accrued by the Board Member, in thousands of Euros.

For Long-term Savings Schemes, contributions or allocations made to such schemes will be included:

Name	Retribution accrued in the Company				Retribution accrued in Companies of the group				Totals		
	Total Retribution in cash	Amount of shares granted	Gross Profit of exercised options	Total financial year 2013 Company	Total Retribution in cash	Amount of shares granted	Gross Profit of exercised options	Total financial year 2013 group	Total financial year 2013	Total financial year 2012	Contribu tion to saving schemes during the financial year
JOSE RAMON ALVAREZ-RENDUELES	132	0	0	132	0	0	0	0	132	126	0
ANGEL DURANDEZ ADEVA	108	0	0	108	0	0	0	0	108	110	0
ALEJANDRO ECHEVARRIA BUSQUET	1.024	0	0	1.024	0	0	0	0	1.024	943	0
HELENA REVOREDO DELVECCHIO	80	0	0	80	0	0	0	0	80	86	0
MANUEL POLANCO MORENO	96	0	0	96	0	0	0	0	96	98	0
FRANCISCO DE BORJA PRADO EULATE	92	0	0	92	0	0	0	0	92	95	0
JUAN LUIS CEBRIAN ECHARRI	88	0	0	88	0	0	0	0	88	98	0
PIER SILVIO BERLUSCONI	60	0	0	60	0	0	0	0	60	63	0
GIULIANO ADREANI	116	0	0	116	0	0	0	0	116	123	0
MARCO GIORDANI	104	0	0	104	0	0	0	0	104	107	0
ALFREDO MESSINA	104	0	0	104	0	0	0	0	104	83	0
FEDELE CONFALONIERI	116	0	0	116	0	0	0	0	116	123	0
PAOLO VASILE	1.523	0	0	1.523	0	0	0	0	1.523	1.339	0
MASSIMO MUSOLINO	830	0	0	830	0	0	0	0	830	825	0
GIUSEPPE TRINGALI	92	0	0	92	1.394	0	0	1.394	1.486	1.288	0
<b>TOTAL</b>	<b>4.565</b>	<b>0</b>	<b>0</b>	<b>4.565</b>	<b>1.394</b>	<b>0</b>	<b>0</b>	<b>1.394</b>	<b>5.959</b>	<b>5.507</b>	<b>0</b>

## D.2 Report on the relationship between the remuneration received by the directors and the profits or other performance of the organization, explaining, where appropriate, how variations in the performance of the company have been able to influence the variation of salaries of the directors.

As indicated in the previous section A4, there is a high degree of interaction between the variable remuneration which the Directors may receive and the results or performance of the Company.

Note that the variable compensation accrual, which may constitute up to 40% of the total remuneration payable to the Managing Directors, is dependent on the achievement of three objectives that clearly determine the economic performance of the Company:

- Advertising revenue.
- Consolidated EBIT.
- Free Cash Flow.

This variable remuneration is payable only if and when the above objectives are met by a percentage equal to or greater than 85%. Below this level there is no variable compensation fulfillment.

At an 85% level of fulfillment of the objectives corresponds to 50% of variable remuneration and, from there, it is subject to a sliding scale, with an expected maximum level of performance equal to or higher than 105% that would correspond to 130% of the variable remuneration.

## D.3 Report on the result of the advisory vote of the general meeting on the Annual Remuneration Report of the previous year, indicating the number of negative votes if they have been issued:

	<b>Number</b>	<b>% of the total</b>
<b>Votes</b>	337.470.675	82,95%

	<b>Number</b>	<b>% of the total</b>
<b>Negative Votes</b>	63.189.201	18,72%
<b>Votes in Favour</b>	274.234.343	81,26%
<b>Abstentions</b>	47.131	0,01%

## **E** OTHER RELEVANT INFORMATION

If there is any relevant aspect relating to the remuneration of directors that has not been possible to collect in the other sections of this report, but it is necessary to include in order to gather more comprehensive and reasoned information on the structure and remuneration practices of the Company in relation to the directors, briefly explain.

Noted that within the directors' remuneration set out in this report, amounts received by the options exercised during the year 2013 have not been included, as the exercise of options granted to directors are subject to compliance with the "conditions exercise "which consist of company objectives, common or individual targets for each of the beneficiaries during the" accrual period ". Indicate for all option plans approved to date the vesting period is set at three years and the exercise period is two years. It is for these reasons why it has not been considered as a concept to take into account when determining the remuneration of directors.

However, in the interests of greater transparency we report below on the options exercised in 2013, identifying individually the directors who have exercised their right and the conditions of that exercise:

Mr Vasile Paolo: exercised 67,250 options on 67,250 affected shares corresponding to the 2008 Plan, with an exercise price of 7.13 Euros and getting 25 (€m) gross profit.



Mr Giuseppe Tringali: exercised 67,250 options on 67,250 affected shares corresponding to the 2008 Plan, with an exercise price of 7.13 Euros and getting 25 (€ m) gross profit.

Mr Massimo Musolino: (i) exercised 30,500 options on 30,500 affected shares corresponding to the 2008 Plan, with an exercise price of 7.13 Euros and getting 11 (€ m) gross profit.

Mr. Alejandro Echevarría Busquet: exercised 33,625 options on 33,625 affected shares corresponding to the 2008 Plan, with an exercise price of 7.13 Euros and getting 18 (€ m) gross profit, He exercised 16,813 options on 16,813 shares corresponding the 2009 Plan, with an exercise price of 5.21 and getting 13 (€ m) gross profit, exercised 67,250 affected options on 67,250 affected shares corresponding to the 2010 Plan, with an exercise price of 7 Euros and obtaining 134 (m €) gross profit.

This annual remuneration report has been approved by the Board of Directors of the Company at its meeting held on 02.26.2014.

Indicate whether any Directors voted against or abstained from the approval of this report.

Yes

No