

MEDIASET *españa.*



ANNUAL CORPORATE REPORT 2017



Non-financial information report 2017



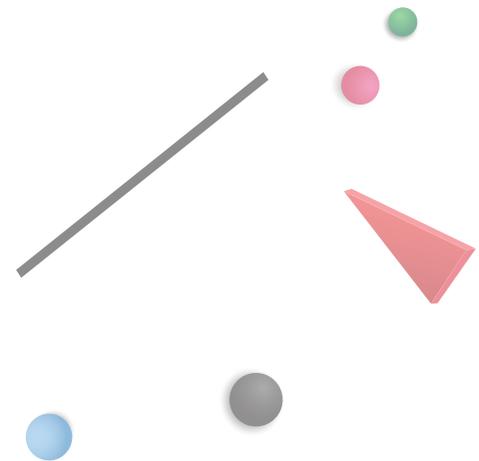
ANNUAL CORPORATE
REPORT
2017

MEDIASET *españa.*





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Further information

Access to further information

This report is available online for computer, smartphone and tablet devices (interactive pdf ready to download).





INTRODUCTION



MEDIASET *españa.*



LETTER FROM THE CHAIRMAN



Alejandro Echevarría Chairman

Dear shareholders,

It is a real pleasure to present the results for 2017, a year in which, once again, Mediaset España has maintained its leadership among Spanish television companies from all points of view, whether in terms of television audience, share and advertising revenue, operating margins, profitability, etc.

During this period the economic evolution of the country has been positive, especially regarding the recovery of consumption and employment; a context in which television advertising continues to improve, revealing itself as the main means of commercial communication.

In this context, Mediaset España's performance has been excellent, as shown by a brief review of its main economic figures: achieving a net profit of €197.5 million; with a 15.5% increase since 2016; an EBITDA of €262.2 million, which is a margin of 26.3% over total net revenues, and an 8.8% increase since 2016; an EBIT of €245.3 million, showing a 9.3% increase since 2016 and a 24.6% margin.

Our evolution on the stock market has been adversely affected by various exogenous fluctuations, both internationally, and due to national problems, the latter related to the political and economic instability caused by the Catalan elections. Even so, the earnings per share has been €0.60, 17.6% higher than that in 2016 (€ 0.51).

In relation to just the area of television, Mediaset España has ended 2017 as the no.1 company in audiences for the seventh year in a row, it is also an absolute reference when it comes to online media consumption and social impacts. Our channel's average audience was a 28.7% share.

**IN RELATION TO
THE TELEVISION
ITSELF, MEDIASET
ESPAÑA HAS
ENDED 2017
AS THE NO.1
COMPANY IN
AUDIENCES FOR
THE SEVENTH
YEAR IN A ROW**

FREE TO AIR TELEVISION CONTINUES TO BE THE MAIN DRIVER OF THE MEDIA MARKET, WITH 99% PENETRATION IN SOCIETY, GIVING RISE TO AN AVERAGE USE PER INHABITANT OF 225 TELEVISION MINUTES A DAY

In short, at a time when alarmist voices are increasingly being heard talking about the change in audio-visual habits and the movement of advertising investment budgets to other emerging media, free to air television continues to have an enviable vitality.

Undoubtedly, society changes, and therefore, the content offers change, new competitors appear, different, but new. But it is also true, without a doubt, that free to air television continues to be the main driver of the media market, with 99% penetration in society, giving rise to an average use per inhabitant of 225 television minutes a day, being the fundamental pillar of Spanish audio-visual production, more than two thirds of Spanish produced European projects is financed by free to air television companies. With this, it is impossible to ignore that, in recent years, the majority of successful films in Spain have been promoted, financed and produced by television companies, most notably Mediaset España.

For another year we have renewed our commitment to the United Nations Global Compact together with its Ten Principles and we have made progress in the 2030 Agenda for Sustainable Development by supporting the Sustainable Development Goals, as reflected throughout our 2017 Report, which I am pleased to present to you. A Report that combines economic-financial, good governance and ethics, social and environmental information, as well as the impact of our activity on society, the main risks map and the analysis of relevant matters for our stakeholders; financial and non-financial information from a long-term perspective that shows our stakeholders all the components of creating company value and how it can be affected by future risks and opportunities.

2017 has been a year for the promotion of diversity within the governing bodies of Mediaset España. Following the latest appointments approved in the Board of Directors, the percentage of female directors has risen from 7.70% up to 23%, close to the objective established by the corporate governance recommendations, also significantly increasing their participation in the company's governance committees.

I do not want to miss the opportunity to thank our audience who day after day enjoy our content, to the advertisers who choose our channels as a vehicle for their commercial communication, to the shareholders who entrust us with their expectations, and to our employees, who are our companions on this journey. With all of them I want to share the encouragement that produces the achievement of the results presented here.

LETTER FROM THE CEO



Paolo Vasile
Chief Executive Officer

It is a real honour to be able to start this message in the same way as last year, saying that Mediaset España has revalidated its leadership among Spanish television companies in terms of audiences, market share, advertising revenue, operating margins and profitability, achieving its best annual operating results since 2008. Nothing new in this regard, but what an enviable and satisfying routine!

Indeed, the company's great commercial potential, leader in advertising investment since 2004, together with the effective management of its resources, have led Mediaset España to increase its net profit by 15.5% compared to 2016, reaching €197.5m.

Mediaset España has led television advertising investment, with a market share of 43.3%, increasing its gross advertising revenues in its own media to €946.4m; a situation which, together with the savings generated in operating costs, has allowed Mediaset España to achieve an EBITDA of € 262.2m (+ 8.8% compared to 2016), with a margin over total revenues of 26.3%; and an EBIT of € 245.3m (+ 9.3% compared to 2016), with a margin over total income of 24.6%. All this, with a truly remarkable net financial position: €135.3M after remunerating our shareholders with a total of €275.7m (€ 100m in the repurchase of treasury shares throughout the year and € 175.7 million paid out in dividends).

Also just from a television point of view we have renewed our leadership, for the seventh consecutive year: the Mediaset España's family of channels has reached a cumulative audience of 28.7% and has also been the first option, both in commercial target (30.4%), and in prime time (28.5%); as well as being the reference in young people aged 13 to 24 years old (35.1%) also for the seventh year.

In this context, Telecinco (13.3%) continues to be, for the sixth consecutive year, the most viewed channel, also being the first option in commercial target (12.5%) and in prime time (13.5%). And, for its part, Cuatro (6.2%), is the third private national channel in commercial target (7.2%), consolidating its strength among the millennial audiences (7.4%).

Our flagship channels, along with the rest of our channels (Fiction Factory 3.1%, Divinity 2.2%, Energy 2%, Boing 1.3%, and Be Mad 0.6%), make up our country's most complete and integrated television offer.

MEDIASET ESPAÑA HAS LED TELEVISION ADVERTISING INVESTMENT, WITH A MARKET SHARE OF 43.3%, INCREASING ITS GROSS ADVERTISING REVENUES IN ITS OWN MEDIA TO €946.4M

In the cinematographic area, Mediaset España has been providing good examples of how to turn risks into opportunities, because, not only does it comply with the legal obligation to finance Spanish cinema, but also, for the fourth year in a row, Telecinco Cinema has become the leader in Spanish film production, obtaining a market share of almost 48% and 8 million viewers with the premiere of the four highest grossing and most watched films of 2017: “Tadeo Jones 2”, “Perfectos Desconocidos”, “Es por tu bien” and “The secret of Marrowbone.”

In the digital area, Mediaset España has placed itself ahead of Internet video consumption for another year, adding to the main websites of its channels (Telecinco.es, Cuatro.com and Divinity.es) and its content platforms both live and on demand (Mitele.es and Mtmad.es), new developments, such as GeneraciónPro.es (a website aimed at youth sports) and Yasss.es (aimed especially towards the generation Z and millennials).

And regarding social networks, Mediaset España obtains figures that take it to audio-visual leadership, with 36.5 million comments on social networks, 48.4% of the total of those made with regard to the television, it has 180 active accounts and 40.3 million followers.

Another area in which we have innovatively and significantly advanced, is the commercialisation of our content for platforms that normally offer their content via video on demand (VOD), usually OTT.

In this regard, Mediaset España has signed content agreements with the main SVOD platforms such as Netflix, Amazon Prime Video and HBO; it has closed agreements for Latin American, Mexican and US platforms, together with Amazon Prime Video and Flow, and it has renewed new agreements with Claro and Blim, the SVOD platform of the Televisa group. In the Latin American territory, DirecTV has continued opting for Mediaset España’s contents through its OnDirecTV pay television platform, as well as the AMC group’s pay-TV channel Europa.

These initiatives, which are related to the digital area that I have just referred to, are a demonstration of the commitment to adaptation and diversification that Mediaset España is addressing, that the movement demonstrates itself that it is working, truthfully, the only way to not to be surprised and overwhelmed by change, is to be part of it.

It is undeniable that new audio-visual content offers have emerged, particularly those coming from the OTT platforms. It is not, as is often speculated, new traditional television competitors; which, I must say, are enjoying excellent health, as shown by the average daily television consumption data (225 minutes), and the fact that advertisers continue to consider general television as the main means for their advertising campaigns. These platforms are new players in the audio-visual field, new travel companions with whom it is necessary and convenient to live together, establishing partnerships that can be mutually beneficial. This is what Mediaset España is doing.

In short, it is difficult to comment on a year of hard work in just a few lines. However, I hope I have been able to convey the main keys to the success of this wonderful reality that is called Mediaset España.

ANOTHER AREA IN WHICH WE HAVE INNOVATIVELY AND SIGNIFICANTLY ADVANCED IS THE COMMERCIALISATION OF OUR CONTENT FOR PLATFORMS THAT NORMALLY OFFER THEIR CONTENT VIA VIDEO ON DEMAND (VOD), USUALLY OTT

Mediaset España, listed since 2004 and belonging to the IBEX 35, has the leading family of channels regarding audience rates in Spain with a firm commitment for in-house production, positioning itself as one of the main creators and producers of content in Spain.

The most viewed channel in Spain for the sixth year in a row, it has accumulated 18 years of leadership among commercial channels, with a up to date and entertaining offer, always close to and focused on the general audience's tastes.

The third most popular thematic TV channel and leader among the female channels. Based on a 360° expansion strategy, it has increased and strengthened its in-house production offer, structuring its contents through differentiated thematic brands, fiction and factual premieres and the creation of special programming events.



The third national private channel in commercial target, it has a varied entertainment offering that has dived into all genres, from comedy's to dating shows, docu-realities, adventure, news, reports and investigative programmes.

It is a channel that is committed to international fiction content aimed at male audiences, with action, science fiction and horror series, among others, which together with different action films make up its offer.



MEDIASET ESPAÑA'S BRANDS



The first HD broadcast channel on free-to-air television aimed at the urban and commercial audience aged 16 to 44 years old. In-house production, factual programmes and docu-realities are its trademark.



The leading children's commercial television channel for the fifth consecutive year, uniting children and their families in front of the screen, with the exclusive premiere of series recognized for their originality and their commitment to in-house production, capable of generating positive feedback in the digital environment.



The leading thematic channel for the sixth consecutive year with a consolidated programming offer, including national comedies, successful American fictions and comedies.

Comes from Mediaset España's commitment to move its most successful programs and series to the Spanish-speaking community in the Americas. CincoMAS is present in the American continent through the main cable, satellite and OTT operators, bringing together a wide range of television content, which includes Telecinco's most successful series and miniseries, programmes, factuals, daily magazine shows and even Telecinco's News.

Website for the online sale of tickets for cultural and entertainment events.



The leading live and on demand TV content platform in Spain, offering on-demand content, series, documentaries, films and sports events from Mediaset España, as well as live broadcasts of all its channels, plus exclusive events. With a responsive design adapted for PCs, mobile devices, applications and Smart TV's, with the latest multirate technology, which guarantees the quality of the content through the adapting the image to the bandwidth of each user, Mitele allows you to customise the list of content, the use of parental control and access from different devices.

Web where all licensed official Mediaset España products are available for purchase.



MEDIASET
ESPAÑA'S
BRANDS



Online platform of exclusive videos with more than 80 different channels in which new digital talents can express themselves through their own codes and languages. All formats are designed and produced for the digital environment, in which the company is developing and exploring new experimental formulas of in-house online production.

Brand that integrates Mediaset España's online radio offer, with which the company reinforces its multimedia strategy. It allows you to listen and watch each edition of its programming offer live or follow it on demand, either online or through download, when the listener wishes and on the device of their choosing.



Mediaset España's meteorological information portal, also offers different contents and curiosities that connect the El Tiempo program with other areas such as sports, health or leisure.



New entertainment and information web aimed at young people born in the 21st century, who are accustomed to having their sources of information and entertainment, almost exclusively, digital media, social networks and online communities.

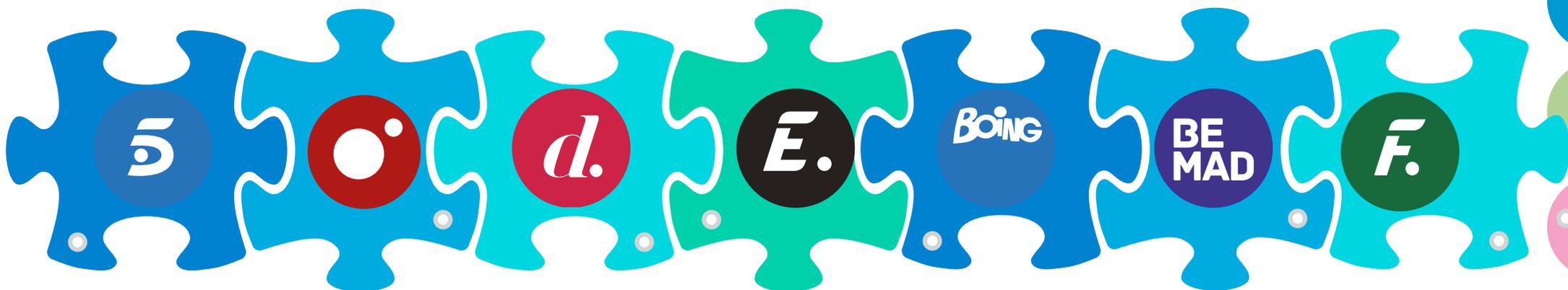
BUSINESS CONTEXT

The current business context presents a scenario of increasing competition, progressive fragmentation of the audience and diversification towards new forms of consumption of audio-visual content.

Recent data show that there has not been a decrease in the consumption of audio-visual content, although **a change in consumption habits** is being experienced, since what was once a consumption/home, around traditional television, has begun to turn towards consumption/individual, thanks to the proliferation of second screens, social networks and smart phones.

On the other hand, the emergence of **online content** platforms in Spain in recent years explains, to a large extent, the incremental trend of content consumption over the Internet. As a result, the Internet advertising sector has experienced growth.

The growing implementation of online content platforms and on-demand content services are trends that have led, among others, to the process of **reviewing the rules on audio-visual communication** (Directive 2010/13/EU on audio-visual communication services), although such revision has not been completed as of year-end.



Among the amendment's objectives, initially, the following stand out:

- The approach of the obligations of the non-linear services operators to those of the operators of linear services, in terms of protection of minors and European quota.
- Greater flexibility of advertising regulation.

Besides, within the framework of the Digital Single Market Strategy, the European Commission has launched some legislative initiatives on **intellectual property rights**, which were still being processed at the end of 2017. Likewise, the Commission plans to work with experts from the Member States and national judges to improve the existing guidelines on respect for intellectual property rights, although no calendar has been established as of year-end.

On the other hand, in 2017 the EU legislation on the **cross-border portability of online content services** in the internal market was approved (Regulation 2017/1128 of the European Parliament and of the Council). This Regulation, directly applicable in the Member States as of March 20, 2018, obliges Member States to guarantee the portability of the online content services, in order to guarantee that the subscribers can access this service when they are temporarily present in another Member State. However, the impact of this Regulation for Mediaset España will be zero or residual, given the type of services currently offered by the company.



ALL MEDIASET ESPAÑA'S WEBSITES HAVE LAUNCHED A RESPONSIVE DESIGN AND ARCHITECTURE IN 2017, MAKING THEM MORE NAVIGABLE AND ACCESSIBLE FROM ANY DEVICE.

Mediaset España is ready

The consumption of audio-visual content on devices connected to the internet allows the audience to have more options and flexibility to view content anywhere. This is an opportunity for the media sector to reach viewers directly and being able to produce contents of interest to the viewers becomes more relevant each day.

In this sense, Mediaset España's business model is based on **in-house content production**; the company has been producing the vast majority of its content in-house since the beginning of 2000, thus having extensive experience in production, as well as a huge and varied library of audio-visual content.

The interest of some new actors in the digitalisation of contents, either by distribution through the internet or by the greater production of exclusive digital content, has allowed Mediaset España to continue the process that it started 3 years ago to improve its digital platforms and making its in-house content available to its viewers with the best experience for the user.

The current digital scenario means an improvement in the access to contents thanks to an increase resulting in the levels of creativity and experimentation, which has also been accompanied by the multiplication of the offer and the target of it.

The **development of Mitele**, which has incorporated new Mediaset España channels into its live broadcast in 2017; the **birth of MTMAD**, together with the synergy of contents with BeMad; the creation of **new content platforms** such as **Generación Pro**, the first website from a Spanish media company dedicated to content and value of youth sport, inclusive and minority and Yasss, a new independent website for what is known as 'Generación Z', i.e., young people born in the twenty first century who do not know life without internet. This represents an improvement in the distribution and access created by the company, which develops its online environment in parallel with traditional television consumption, and enables the company to successfully face the opportunities arising from the changes in the consumption habits of audio-visual content, given the growing demand for digital native content and new entertainment formulas on the internet.

Mediaset España's response to the challenges of the environment

- **Differentiation and clear identification of the conventional television's model offer** compared to digital models: the live broadcast value, the value of participation and communication with the viewer, identification with content, the importance of simultaneity.
- **Communication campaigns** (in generalist television and on the company's digital platforms) to transfer "100% digital" users where they can consume the contents generated by the Group.
- **Expansion of in-house production.**
- **Expansion and diversification of medias for the broadcast** of content generated by Mediaset España.
- **Development and expansion of areas related to the digital business.**
- **Technological developments** that allow an optimisation of the consumption of digital content.
- **Maximisation of synergies** between conventional (linear) television and digital platforms.
- **Prioritisation of content development within the media created and developed** by Mediaset España, creating a community within them.
- **Creation and valuing of a safe and controlled consumption environment.**

MEDIASET ESPAÑA IS TECHNICALLY AND EDITORIALY PREPARED TO FULFILL THE CHALLENGE OF BROADCASTING ITS CONTENTS ON THE NEW DEVICES AND WITH THE BEST USER EXPERIENCE.



BeMad is pioneering the introduction of the “binge-watching” experience to free to air television, the non-stop broadcast of monographic programming specials that match and associate native Mtmad formats with linked-themed television programmes. A strategy whose objective is to optimise audience results, innovation in programming and increase the profitability of the products broadcasted, marking a milestone that has never been taken to these limits by any other free to air television in Spain, with which Mediaset España’s most transversal channel intends to continue accompanying the most restless viewers in their search for new ways to enjoy audio-visual leisure.

Ensuring maximum visibility for brands and substantially improving the user navigation experience from any device has been one of the objectives of Mediaset España in 2017 with the redesign of the main sites that make up its online offer, a strategy based on an offer of high interest content and which is highly attractive to the user, converting its audiences into fans and faithful followers who proactively search for information and content. All of this is made available to the user with a responsive design, which allows a much more accessible navigation from all devices through all of the Mediaset España channels sites.

With the launching of its new design, the sites offer a homogenous browsing experience on all devices, which is especially noteworthy given that three out of four users access content online via mobile or tablet. With a common headline that allows direct access to the entire online universe of Mediaset España from any site or content of the group, the websites incorporate state-of-the-art technical novelties that provide optimal, progressive and almost infinite access to content in a more secure environment.

Thus, Mediaset España’s websites adapt to the new forms of digital consumption incorporating a new drop-down menu and the ‘infinite scroll’ option, which enhances vertical navigation, especially designed for mobile devices. In addition, it integrates a new ‘TV guide’ that allows access to all the programming of the different channels of the company and immediate access to live online broadcasts and introduces an integrated programming alert system that allows users direct access to news on television.

Mediaset España not only faces the digital challenge by way of its in-house content broadcast platforms, but it has also established **alliances and agreements for the production and distribution of some of its series** with the main “new operators”, new payment platforms for distribution of the most successful contents in the market, opening a new window for the broadcast of the Group’s in-house contents.

It has grown significantly in this digital environment, throughout the year, a development that requires extreme vigilance by the company when managing the content that will be broadcast: the strong emergence of the so-called “fake news”. There is a danger of being manipulated and influenced through social networks, by contents that certain groups create to influence opinion or decisions in a certain way. Those known as “digital armies” create news difficult to contrast; contents that can undermine the credibility of the company if they were broadcasted on its channels and resulted in false content. This represents a challenge for Mediaset España, which tries to respond by applying mechanisms to filter, contrast and inform in the shortest period of time and without neglecting the necessary informative rigor. Nevertheless, the company’s professionals are aware of the challenge posed by the need to define new formulas for the daily management of information, which include mechanisms that allow this new reality to be tackled.

On the other hand, through its international channel CincoMas, Mediaset España directly or by way of partnerships with other American operators, strengthens its commitment to bring its most successful programmes and series to the Spanish-speaking community in the region, expanding its in-house content offer to new markets.

THE NEW ARCHITECTURE OF THE INFORMATION INCLUDED IN THE COMPANY’S WEBSITES IN 2017 HAS FAVOURED THE USER EXPERIENCE FROM MOBILE DEVICES AND HAS ALSO ENABLED THE PRESENCE OF ADVERTISING FORMATS WITHOUT PUNISHING THE USER’S NAVIGATION TO BE IMPROVED.

THE CONTINUOUS INCREASE IN THE PUBLIC'S USE OF SOCIAL NETWORKS HAS GIVEN THE COMPANY AN OPPORTUNITY TO TEST AND EVALUATE THE AUDIENCE'S TASTES IN RELATION TO THE CONTENTS BROADCASTED.

Given the progressive decline of SMS as a communication vehicle and its consequent impact on the business of interactivity with the audience through contests and voting, Mediaset España has been integrating the opportunities arising from the generalization of **e-commerce** and popularisation of technology, incorporating the development of opportunities linked to the online ecosystem into its business strategy. Among others, the launching of the website Mas que coches renting stands out, new e-commerce linked to the renting of vehicles for individuals; the strengthening of alliances with the most important Spanish cultural promoters through Taquilla Mediaset, also promoting alliances with developers and small theatres to support more modest but high-quality proposals.

On the other hand, the continuous increase in the public's use of social networks, as a means of assessing the content broadcasted by Mediaset España and the dissemination of its multiple brands, has given the company the opportunity to test and evaluate the audience's tastes.

In parallel, the new formats for content consumption and forms of interactivity have led to a progression in the knowledge of user behaviour, called **Big Data**. With the appropriate technical mechanisms of data analysis and the appropriate users' consents, Mediaset España has the possibility of knowing the needs and preferences of the users in terms of audio-visual content and intentions of purchasing products. This represents a high value opportunity for the company, to attract new sources of income in the short and medium term, opportunities that Mediaset España is promoting through the investment in tools and equipment that facilitate the processes of information analysis. The challenge lies in introducing into the organisation the possibility of using these tools and identifying the advantages and new business opportunities that it can bring to the main free-to-air television business.

KEY PERFORMANCE INDICATORS (KPIs)

OPERATING REVENUE
(€ MILLION)

245.3

2016: 224.4
2015: 205.2

NET PROFIT ¹
(€ MILLION)

197.5

2016: 171
2015: 166.17

INVESTMENT IN THIRD
PARTY PRODUCTION
(€ MILLION)

106.4

2016: 125.3
2015: 124.2

INVESTMENT IN FICTION
PRODUCTION
(€ MILLION)

47.6

2016: 35.4
2015: 44.6

INVESTMENT IN
CO-PRODUCTION
(€ MILLION)

19.1

2016: 16.2
2015: 9.4

TECHNICAL
INVESTMENT (€ MILLION)

14.2

2016: 14.6
2015: 15.0

NET ADVERTISING
INCOME (€ MILLION)

932

2016: 929
2015: 902

ADVERTISING
EFFICIENCY RATIO²

151

2016: 143
2015: 140

AVERAGE SCREEN
RATINGS

28.7%

2016: 30.2%
2015: 31%

BROADCASTING
HOURS³

61,320

2016: 58,804
2015: 52,560

EMPLOYEE NUMBERS
(AVERAGE FOR THE
YEAR)

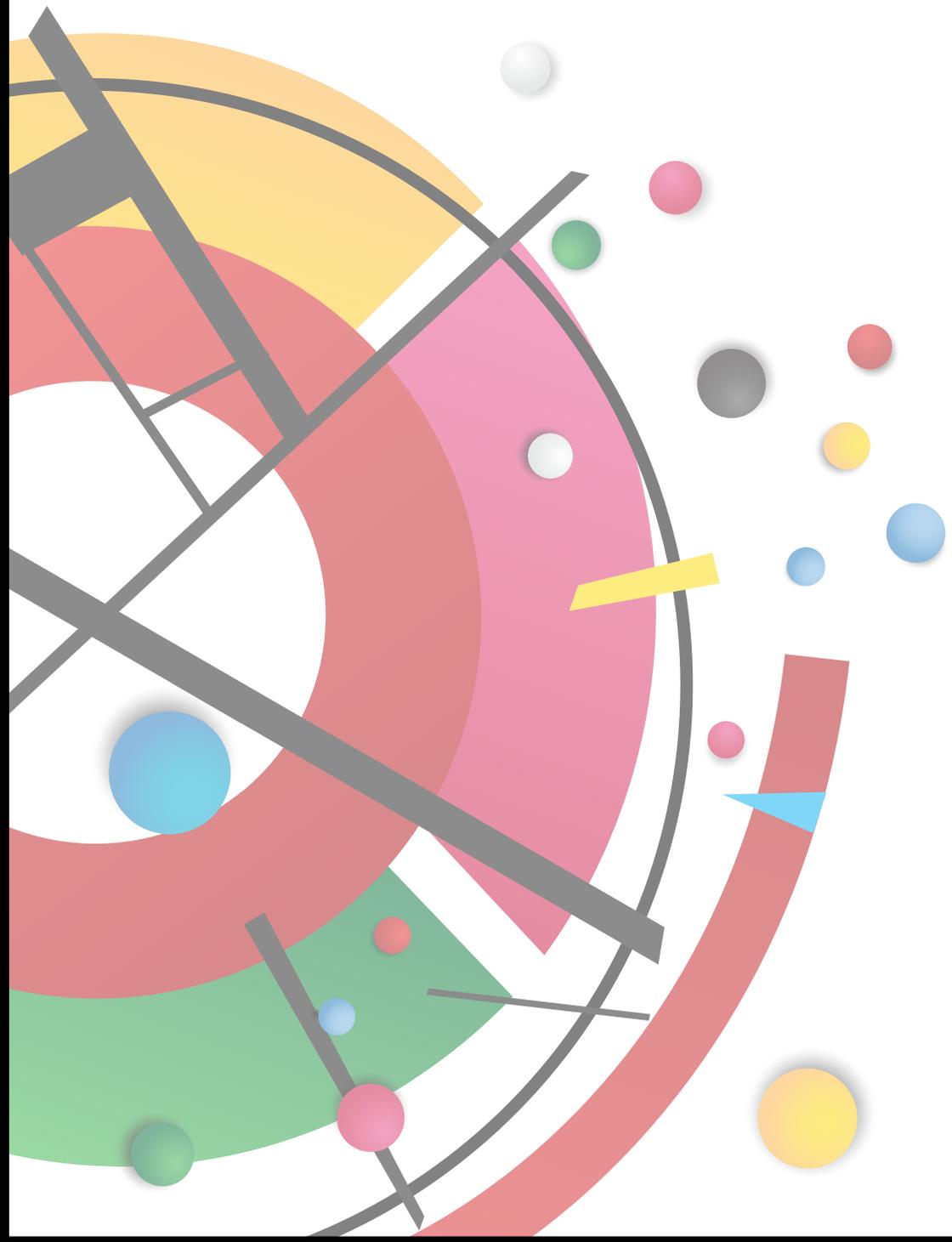
1,280

2016: 1,275
2015: 1,266

1. Attributable to the Parent's shareholders.

2. Advertising Efficiency Ratio prepared by "INFOADEX" for all Group channels.

3. It includes all broadcasting hours from all Mediaset España channels.



GOVERNANCE MODEL

MEDIASET *españa.*



COMPANY STRUCTURE

MEDIASET
ESPAÑA'S
CORPORATE
PURPOSE IS
THE INDIRECT
MANAGEMENT
OF PUBLIC
TELEVISION
SERVICES.

Group organisational structure

The media group Mediaset España consists of companies engaged in businesses related to the audio-visual sector, the core activities being television content production and broadcasting, and the exploitation of advertising space on its TV channels.

Mediaset España Comunicación, S.A. (hereinafter "Mediaset España" or "the Company"), incorporated in Madrid on 10th March 1989, heads the corporate group named Grupo Mediaset España Comunicación, S.A. (hereinafter "the Mediaset Group" or "the Group").

Mediaset España, the parent company

Mediaset España's corporate purpose is the indirect management of Public Television Services. As of year-end Mediaset commercially operates the TV channels Telecinco, Cuatro, Factoría de Ficción, Boing, Energy, Divinity and BEMAD, having obtained the necessary licences to provide audio-visual communication services.

The company has its registered office in Carretera de Fuencarral to Alcobendas, nº 4, 28049, Madrid and began listing on the stock exchange on June 24th, 2004. It is currently listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, and joining the IBEX35 index on January 3rd, 2005.

The Group's business is centred on the exploitation of advertising space on the TV channels for which it is a concessionaire and the performance of analogous and complementary activities such as audio-visual production, advertising promotion and news agency activities.

As the Group's parent company, Mediaset España is required to draw up the Group's consolidated annual accounts, as well as its own annual accounts.

The Group's consolidated companies are as follows:

Fully-consolidated companies	Country	2017	2016
Grupo Editorial Tele 5, S.A.U.	Spain	100%	100%
Telecinco Cinema, S.A.U.	Spain	100%	100%
Publiespaña, S.A.U.	Spain	100%	100%
Conecta 5 Telecinco, S.A.U.	Spain	100%	100%
Mediacinco Cartera, S.L.U.	Spain	100%	75%
Publimedia Gestión, S.A.U. ⁽¹⁾	Spain	100%	100%
Advertisement 4 Adventure, S.L.U. (prev. Sogecable Media, S.L.U.)	Spain	100%	100%
Sogecable Editorial, S.L.U.	Spain	100%	100%
Premiere Megaplex, S.A.U.	Spain	-	100%
Integración Transmedia, S.A.U. ⁽¹⁾	Spain	-	100%
Netsonic, S.L. ⁽¹⁾	Spain	100%	69.86%
Concursos Multiplataformas, S.A.U.	Spain	100%	-
Equity consolidated companies			
Pegaso Televisión, Inc	USA	43.7%	43.7%
Producciones Mandarina, S.L.	Spain	30%	30%
La Fábrica de la Tele, S.L.	Spain	30%	30%
Furia de Titanes II, A.I.E. ⁽³⁾	Spain	34%	34%
Megamedia Televisión, S.L. ⁽²⁾	Spain	30%	30%
Supersport Televisión, S.L.	Spain	30%	30%
Emissions Digitals de Catalunya, S.A.	Spain	-	34.66%
Aunia Publicidad Interactiva, S.L. ⁽¹⁾	Spain	50%	50%
Alea Media, S.A.	Spain	40%	-
Melodía Producciones, S.L.	Spain	40%	-
Adtech Ventures, S.p.A. ⁽¹⁾	Italy	50%	-

⁽¹⁾ The interest in these Companies is held through Publiespaña, S.A.U.

⁽²⁾ The interest in this Company is held through Conecta 5 Telecinco, S.A.U.

⁽³⁾ The interest in this A.I.E. is held through Telecinco Cinema, S.A.U.

THE GROUP'S BUSINESS IS CENTRED ON THE EXPLOITATION OF ADVERTISING SPACE ON THE TV CHANNELS FOR WHICH IT IS A CONCESSIONAIRE AND THE PERFORMANCE OF ANALOGOUS AND COMPLEMENTARY ACTIVITIES SUCH AS AUDIO-VISUAL PRODUCTION, ADVERTISING PROMOTION AND NEWS AGENCY ACTIVITIES.

Changes to the consolidation perimeter in the year ended 31st December 2017

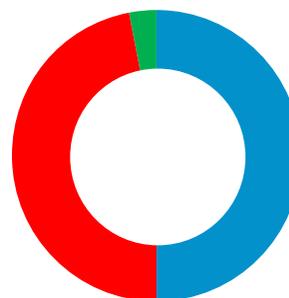
- On January 11th, 2017 the Group has set up the Concursos Multiplataformas, S.A.U. of which it owns 100% of its social capital.
- On March 23rd, 2017, the Group sold 100% of the shares of Premiere Megaplex, S.A.U.
- On April 5th, 2017 the Group acquired a 40% share in the company Melodía Producciones, S.L.
- On July 11th, 2017 the Group acquired a 50% stake in Adtech Ventures, S.p.A.
- On August 2nd the Group sold its 34.66% share in the company Emissions Digitals de Catalunya.
- On October 23rd, the Group acquired the 25% share in Mediacinco Cartera, S.LU owned by Mediaset Investment S.A.R.L. now owning 100% of the said company.
- On December 13th, the Group acquired the remaining 30.14% of Netsonic, now owning 100%.

Changes in the Group's shareholding structure in 2017

- Authorised by the Board of Directors meeting on February 23rd, 2017, and following the authorisation granted by the Ordinary General Shareholders' Meeting held on April 13th, 2016, the company launched a new buy-back program to repurchase its own shares for a total amount of €100 million.
- In the period May 17th - August 21st, 2017 the company acquired a total of 9,282,275 shares at an average price of € 10.77, which makes up a total investment of € 100,000,000.61.

After the said movements, as at 31st December 2017, Mediaset España's capital is distributed as follows:

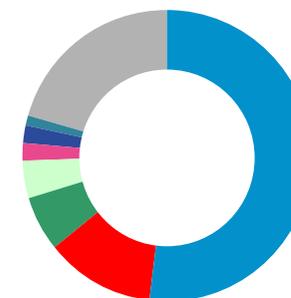
Shareholding



- Mediaset SpA 50.208%
- Free float 47.03%
- Treasury 2.76%

Source: Thomson Reuters

Shareholding by country



- Italy 51.9%
- USA 12.2%
- UK 6.5%
- France 4.3%
- Germany 2.0%
- Norway 1.8%
- Spain 1.1%
- Rest of the world 20.2%

Source: Thomson Reuters

Subsidiaries

Subsidiaries are companies that Mediaset España has the capacity to effectively control. This capacity takes the form of direct or indirect ownership of more than 50% of the subsidiary's voting rights.

Direct interest through Mediaset España

Publiespaña, S.A.U.

Commercialisation of advertising.

Grupo Editorial Tele 5, S.A.U.

Copyright management and exploitation

Telecinco Cinema, S.A.U.

Cinematographic production.

Conecta 5 Telecinco, S.A.U.

Distribution of audio-visual content on the Internet.

Mediacinco Cartera, S.L.U.

Holding inactive.

Advertisement 4 Adventure, S.L.U.

Holding for "media for equity" projects.

Sogecable Editorial, S.L.U.

Copyright Management and exploitation.

Concursos Multiplataformas, S.A.U.-

Online gaming

Companies in which Publiespaña S.A.U. has shares

Publimedia Gestión, S.A.U.

Commercialisation of advertising.

Netsonic, S.L.

Online video advertising,

Affiliated Companies

Set out below are details of Mediaset España's affiliates, over which it has the capacity to exercise significant influence (which is assumed when an interest of at least 20% is held), although not control.

Companies in which Mediaset España's has a direct shareholding

Pegaso Televisión Inc.- Holding that channels the investment in Caribevisión Network (Spanish-language television channel that broadcasts on the east coast of the United States and Puerto Rico).

Producciones Mandarin, S.L.- Audio-visual content creation, development, production and commercial exploitation.

La Fábrica de la Tele, S.L.- Creation, development, production and commercial exploitation of audio-visual content.

Supersport Televisión, S.L.- Production of sports programmes.

Alea Media. S,A,- Creation, acquisition and exploitation of literary, musical, graphic and audio-visual works.

Melodía Producciones. S,L- Creation, acquisition and exploitation of literary, musical, graphic and audio-visual works.

Companies in which Publiespaña S.A.U. has an indirect shareholding

Aunia Publicidad Interactiva, S.L.U. Audio-visual communication services.

Adtech Ventures, S.p.A. Commercialisation of advertising, in Italy and abroad.

Companies in which Conecta 5 Telecinco S.A.U. has an indirect shareholding

Megamedia Televisión, S.L. Creation, development, production and exploitation of multimedia audio-visual content.

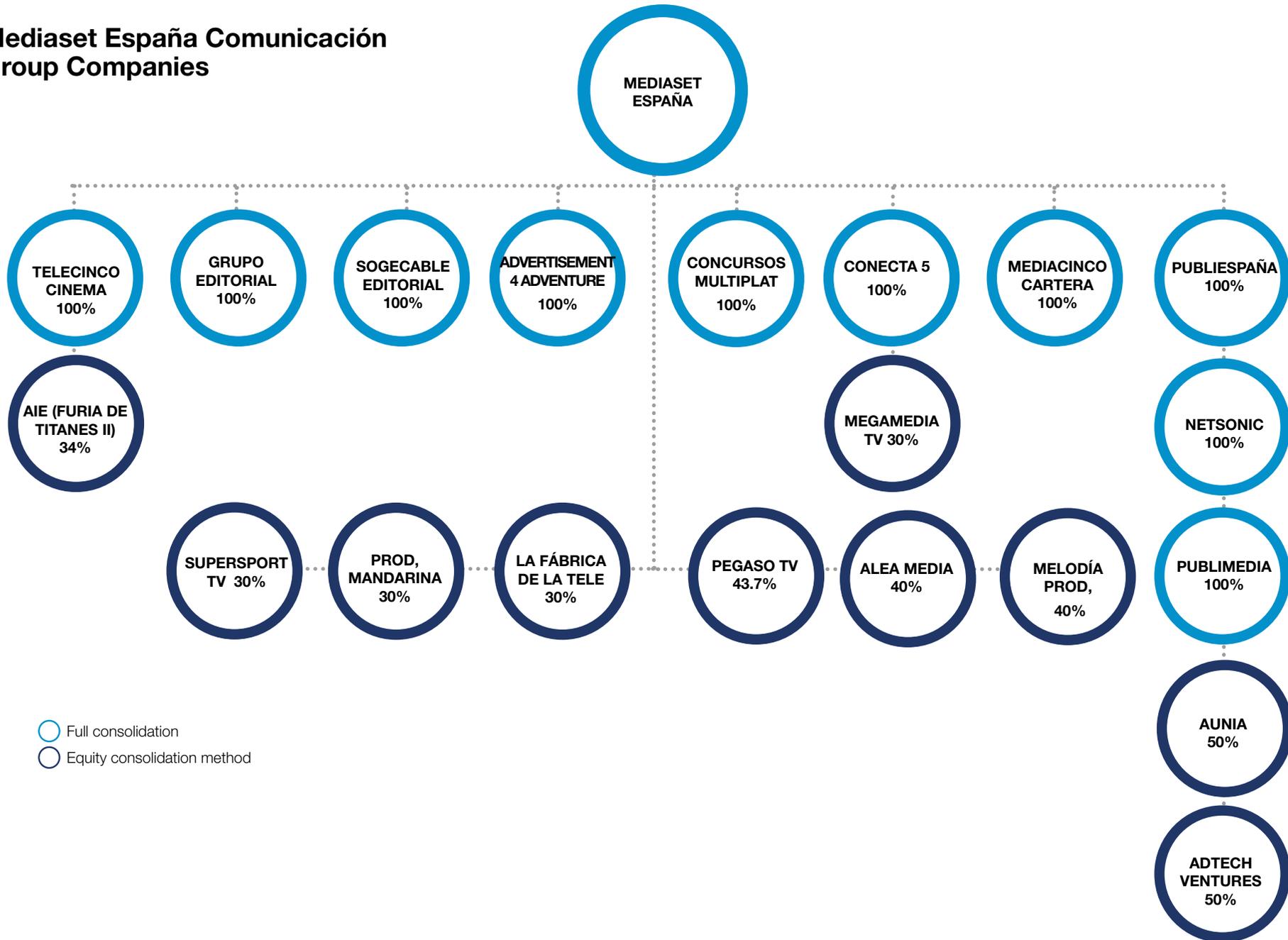
Companies in which Telecinco Cinema S.A.U. has an indirect shareholding

Furia de Titanes II. A.I.E. Telecommunication services and participation in the creation, production, distribution and exploitation of audio-visual, fiction, animation and documentary content.

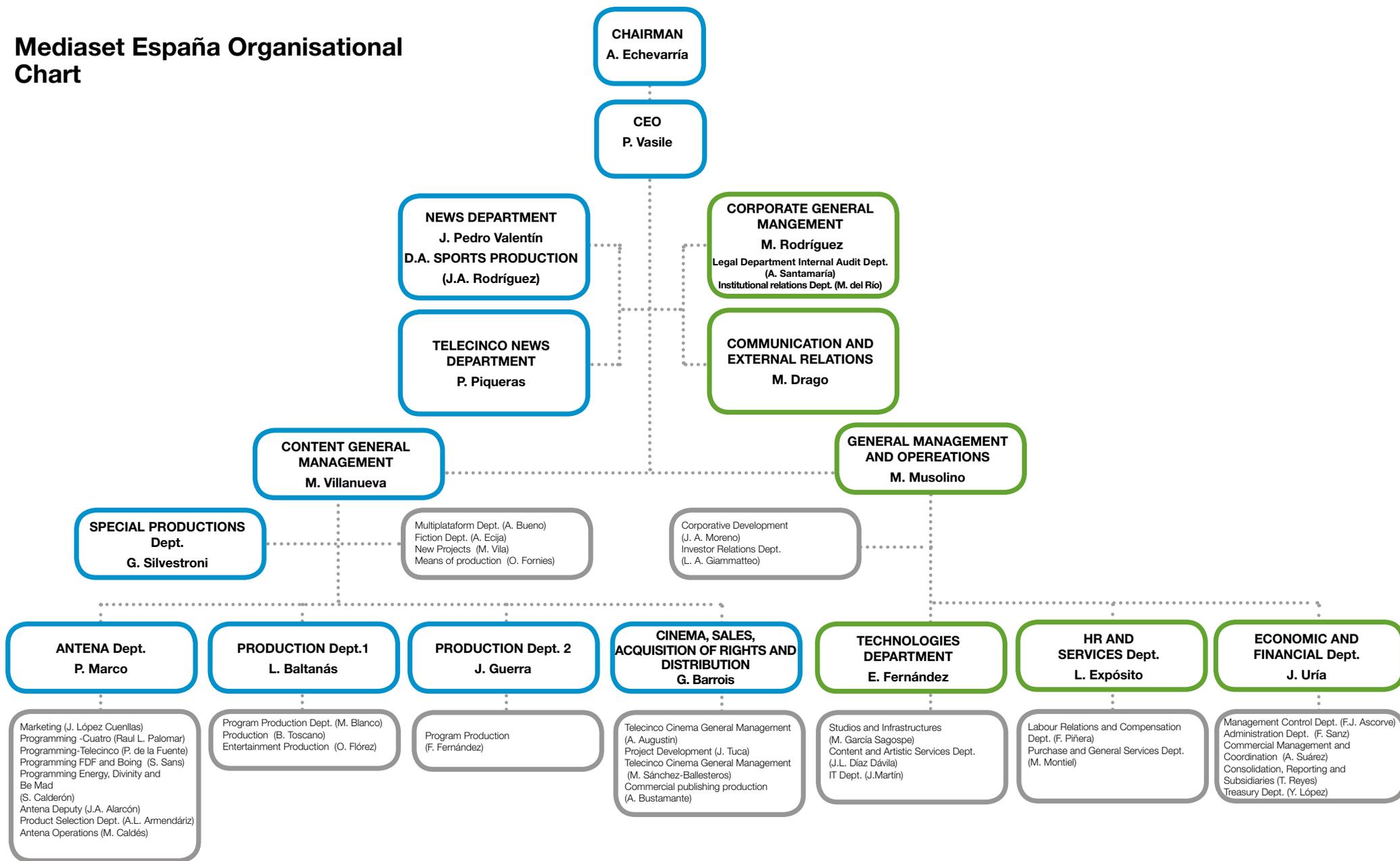
Note: None of the above companies are listed on a stock exchange. All of the aforementioned companies except Pegaso Televisión Inc. have their registered address in Spain. Pegaso Televisión Inc. is located in Miami, Florida in US and Adtech Ventures S.p.A. is located in Milan (Italy).

Note: The business names of the companies are as follows: Mediaset España Comunicación S.A. (Hereinafter Mediaset España); Grupo Editorial Tele5, S.A.U (Hereinafter Grupo Editorial); Telecinco Cinema, S.A.U. (Hereinafter Telecinco Cinema); Mediacinco Cartera S.L. (Hereinafter Mediacinco Cartera); Conecta 5 Telecinco, S.A.U. (Hereinafter Conecta 5); Publiespaña, S.A.U. (Hereinafter Publiespaña); Publimedia Gestión S.A.U. (Hereinafter Publimedia Gestión); Advertisement 4 Adventure, S.L.U. (Hereinafter Advertiser 4 Adventure); Sogetable Editorial, S.A.U. (Hereinafter Sogetable Editorial); Netsonic, S.L. (Hereinafter Netsonic) and Concursos Multiplataformas, S.A.U (Hereinafter Concursos Multiplataformas).

Mediaset España Comunicación Group Companies



Mediaset España Organisational Chart



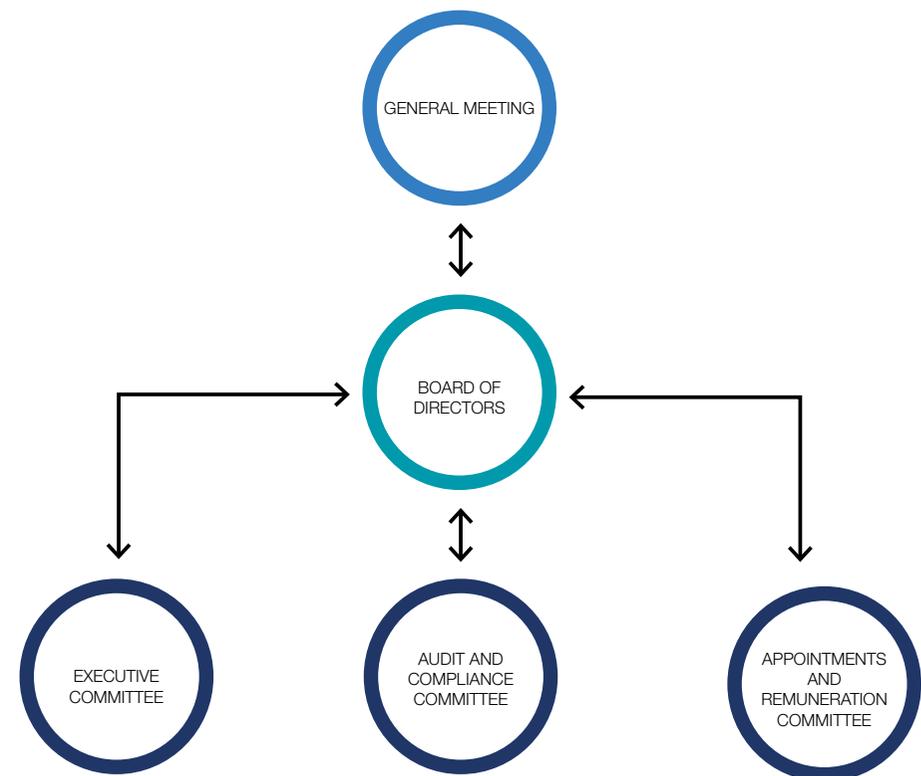
Corporate Areas (provide services to all Group companies)

CORPORATE GOVERNANCE SYSTEM

THE CORPORATE GOVERNANCE SYSTEM IS STRUCTURED AROUND POLICIES, REGULATIONS AND PROCEDURES IN ACCORDANCE WITH THE HIGHEST STANDARDS OF TRANSPARENCY AND GOOD PRACTICE RELATED TO CORPORATE GOVERNANCE.

Mediaset España's Corporate Governance system constitutes the framework that governs and guarantees the correct management of the company and is aimed at creating value for its stakeholders, both internal and external. This system is structured around policies, regulations and procedures in accordance to the highest standards of transparency and good practice related to Corporate Governance.

- The **General Meeting** is governed by the provisions of the Law, the Company's Articles of Association and Regulations, approved by Mediaset España. As a sovereign body of the company, the Board represents all the shareholders and decides by a majority vote in matters within its competence, and where attendance to the meeting is guaranteed by holding a share of the company.
- **Mediaset España's Board of Directors** is the highest decision-making body, except in matters reserved for the competence of the General Meeting. Therefore, the Board has all the necessary powers to manage the company; however, the Board's policy consists in delegating the ordinary management of the Company to the delegated bodies and to the management team, in order to focus its activity on determining Mediaset España's overall strategy and its general supervision duties.
- **The Audit and Compliance Committee as well as the Appointments and Remuneration Committee** are regulated by what is established in the Board of Directors' Regulations and their respective regulations.



Governing Bodies



Good Governance Model

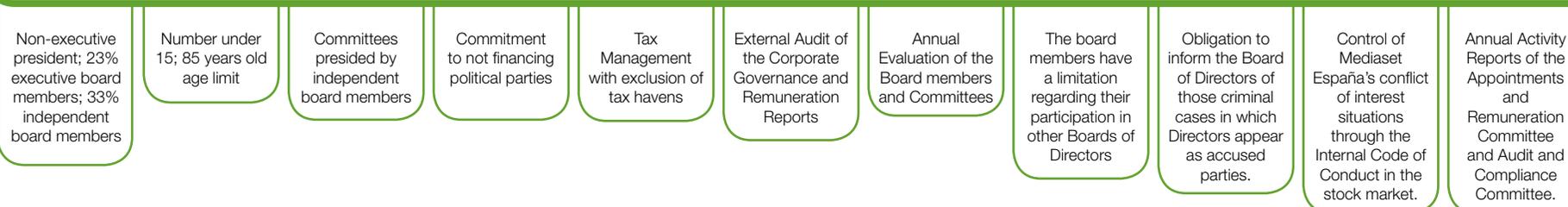
Shareholders

Shareholders are the core of which good corporate governance is based. The reinforcement of transparency, the recognition of their rights or the protection of their interests base the rules of good governance of the company.

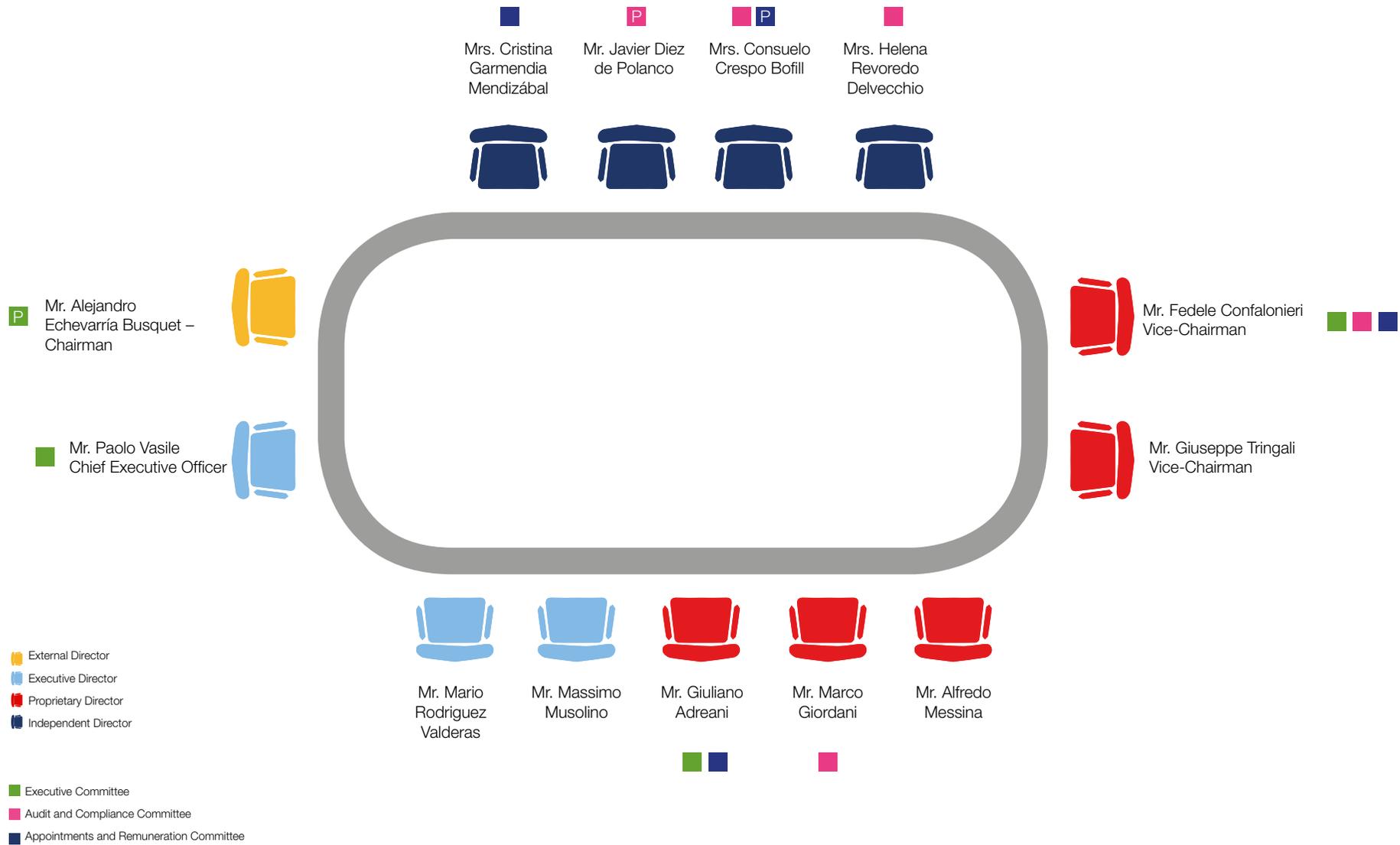


Board of Directors

Highest management body with broad decision-making powers in the most relevant matters for the company; for this reason, both in terms of composition and in its operation, it is essential for Mediaset España to include the measures of good governance in its regulations.



Board of Directors' Composition



THE CORPORATE GOVERNANCE SYSTEM IS STRUCTURED AROUND POLICIES, REGULATIONS AND PROCEDURES IN ACCORDANCE TO THE HIGHEST STANDARDS OF TRANSPARENCY AND GOOD PRACTICES RELATED TO CORPORATE GOVERNANCE.

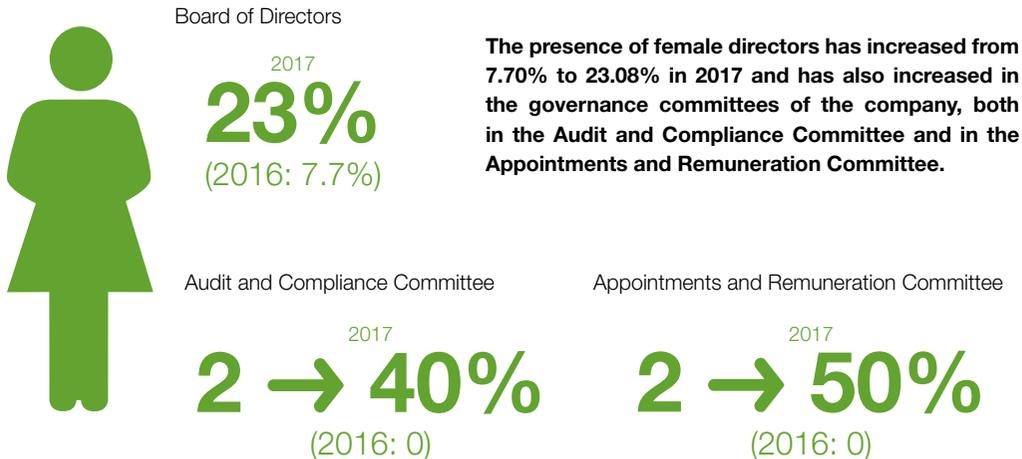
2017 has been a year in which Mediaset España, in addition to continuing to consolidate the application of its robust good governance, has made significant progress in terms of diversity.

In line with the latest corporate governance recommendations, the company has always had, among its main objectives, the progressive increase in the number of female directors in the governing bodies. Following this line and given that three of the independent directors had to resign from their positions for having exceeded the recommended term of 12 years, the Appointments and Remuneration Committee deliberately sought out among the potential candidates, women who had the profiles sought by the company. Thus, the Committee proposed to the Board of Directors the appointment of Mrs. Consuelo Crespo and Mrs. Cristina Garmendia as new directors, their appointments having been approved by co-option at the end of 2017.

This progress in female representation in the governing bodies is the result of the application of the diversity and director selection policy applied by the company. A diversity policy approved by the Board of Directors, whose action principles are, among others, the following:

- Comply with current legislation on diversity as well as with the best corporate governance practices in this area, adopting domestic and international standards and guidelines in this area.
- Promote the necessary measures to ensure equal opportunities and avoid any discrimination in the selection processes of both the members of the Board of Directors and the Company's human team.
- Promote the implementation of corporate strategies that allow the training of female talent by promoting the development of activities aimed at their development.
- Periodically review the activities carried out, in order to identify potential weaknesses and points of improvement, in order to prevent and mitigate their impact.
- Use the Mediaset España Group's audio-visual media to raise awareness and sensitise the audience to the importance of respect and compliance with diversity.
- Extend the commitment to respect and promote diversity to the chain of suppliers.

Number of female directors



During 2017, a review of the Audit and Compliance Committee and the Appointments and Remuneration Committee's Regulations has been carried out, to adapt them to the best practices in good governance.

With regard to the Audit and Compliance Committee's Regulations, the latest amendments have been intended to incorporate the basic provisions included in the CNMV Technical Guide 3/2017 on the Audit and Compliance Committees, in coordination with the proposal to amend Article 21 of the Board of Director's Regulations and the Recommendations of the Good Governance Code that Mediaset España has been fulfilling. Although many amendments have been introduced, from a substantive point of view, they do not introduce anything new that was not already performed by the Committee itself when carrying out its normal activity. These changes affect the following

articles: Article 3, on the qualitative composition of the Committee; Article 4, on the assistance of the internal auditor and, depending on the cases, on the assistance of the external auditor to the Committee meetings, as well as the need to approve a preliminary annual work plan; Article 5.1, on the need to define a selection process for the external auditor, supervision of said process and annual evaluation of the performance and independence of the latter in the performance of their work; Article 5.2, in relation to the supervision of financial information; 5.3, with respect to the Internal Control System of said information; 5.5, in relation to the supervision of the management and control of risks; 5.7, on transparency and corporate governance standards, review of the corporate

responsibility policy, evaluation of non-financial risks, and coordination of the non-financial information and diversity reporting process; and article 7, on means and resources of the Committee.

The purpose of the amendment to the Appointments and Remuneration Committee's Regulations was to introduce references to the diversity policy.

It also highlights the evaluation process of the Board members carried out during 2017 by an external consultant, thus complying with the recommendations of good corporate governance.

Main issues addressed by the Board of Directors in 2017

Mediaset España's Board of Directors' activity focuses on the definition, supervision and monitoring of policies, strategies and main guidelines.

Supervision of the Company's trajectory	Supervision of the evolution of advertising billing and audience results.
Monitoring of the Company's management	Analysis of the Company and its Group's financial statements. Approval of the Budget for 2018
Establishment of strategic objectives for 2018	Definition of the strategic objectives on which the Company's Risk Map is established.
Directors Remuneration	Application of the balance and moderation principles to the Chairman, Chief Executive Officer and members' remuneration.
Analysis of the political situation and legislative modifications	Definition of internal actions with regards to different political and / or legislative scenarios.
Supervision of the activity of the different areas of the company	Supervising the compliance with Internal Rules.
Promotion of the Good Governance and the Corporate Responsibility	Reviewing the governance standards of the company. Approval of the Diversity Policy.

Regulation on the remuneration of members' of the Board of Directors.

The remuneration policy of the company's directors is governed by articles 37 and 56 of the Company's Articles of Association and article 28 of the Company's Board of Directors Regulations. These precepts establish which are the competent bodies for the approval or modification of the remuneration policy, the principles on which it is based, its structure and purpose. The regulations are available on our website and we invite you to read it, as it helps to better understand the structure of Mediaset España's Remuneration Policy detailed in this report.



Remuneration Process

APPOINTMENTS AND
REMUNERATION
COMMITTEE

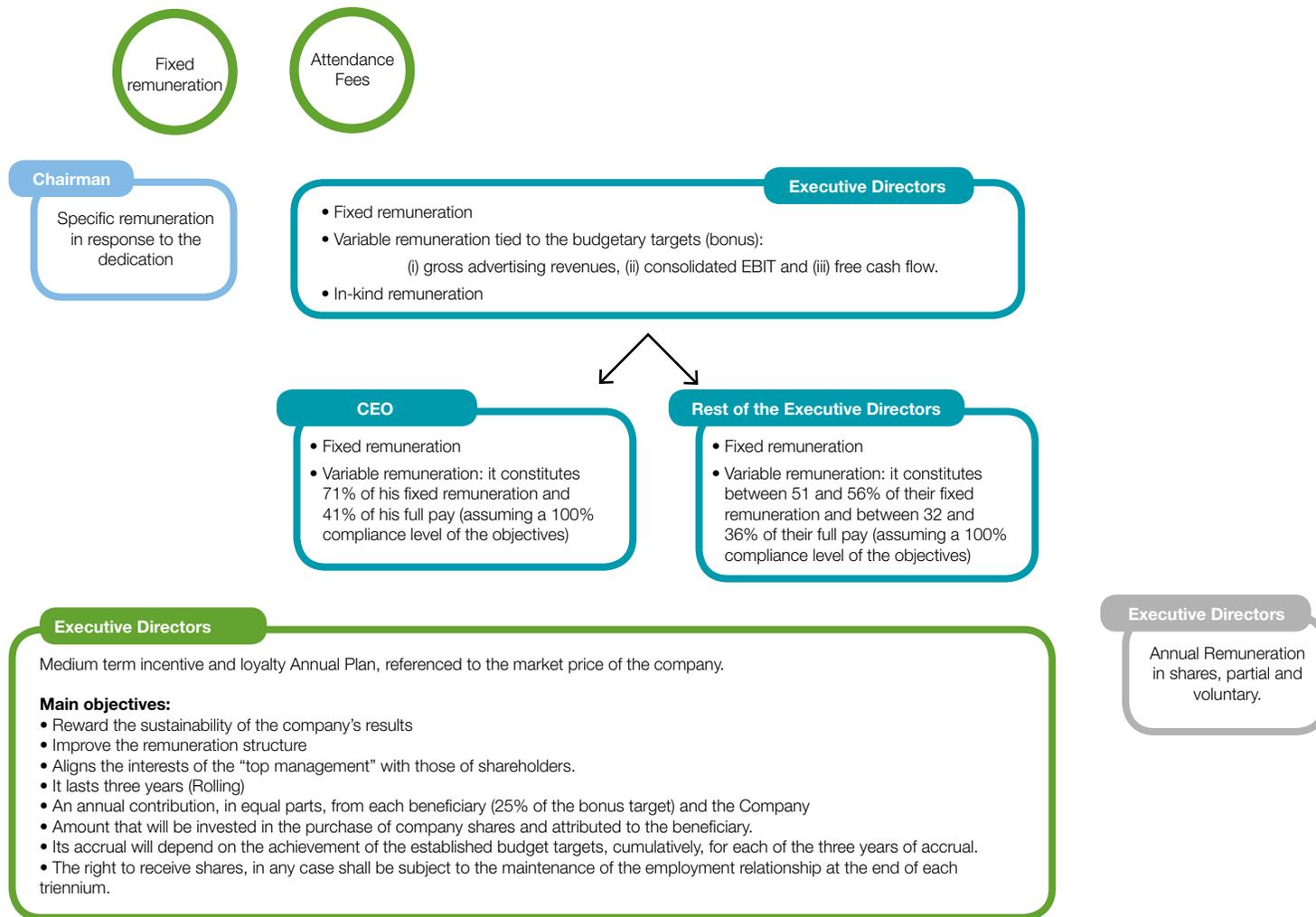
BOARD OF DIRECTORS

REMUNERATION REPORT

THE EXTERNAL
ASSURANCE OF THE
REMUNERATION REPORT

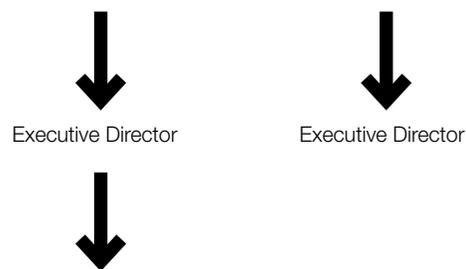
SHAREHOLDERS
DECISIONS: GENERAL
MEETING BINDING VOTE
APPROVED BY 72.08% OF
THE SHAREHOLDERS.

Composition of Board Members remuneration



Contract Shielding Clauses for Executive Directors

In the event of any change in the Company's current ownership / control (direct or indirect), and in cases of unfair dismissal, collective or objective dismissal, termination by the Executive Director for the causes foreseen in articles 39, 40, 41, and 50 of the Workers' Statute, will receive two annuities equivalent to their gross remuneration.



a) Voluntary redundancy: accrual per year: Fixed salary + annual variable, divided by 13.5, the total remuneration is the sum of the amounts corresponding to the number of years worked.

b) Termination by fair or unfair dismissal: legal allowance, plus indemnification provided for in point a) above.

Board members remuneration in 2017

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 2017 Company	Total Retribution in cash	Amount of shares granted	Gross Profit of exercised options	Total financial year 2017 group	Total financial year 2017	Total financial year 2016	Contribution to saving schemes during the financial year
Alejandro Echevarría Busquet	1,002	0	0	1,002	0	0	0	0	1,002	1,024	0
Paolo Vasile	1,709	0	0	1,709	0	0	0	0	1,709	2,078	0
Fedele Confalonieri	139	0	0	139	0	0	0	0	139	139	0
Giuseppe Tringali	103	0	0	103	0	0	0	0	103	99	0
Massimo Musolino	871	0	0	871	0	0	0	0	871	994	0
Mario Rodríguez Valderas	660	0	0	660	0	0	0	0	660	790	0
Alfredo Messina	107	0	0	107	0	0	0	0	107	107	0
Marco Giordani	123	0	0	123	0	0	0	0	123	123	0
Giuliano Adreani	139	0	0	139	0	0	0	0	139	139	0
Helena Revoredo Delvechio	99	0	0	99	0	0	0	0	99	95	0
Consuelo Crespo Bofill	0	0	0	0	0	0	0	0	0	0	0
Cristina Garmendia Mendizábal	0	0	0	0	0	0	0	0	0	0	0
Javier Díez de Polanco	0	0	0	0	0	0	0	0	0	0	0
Ángel Duránquez Adeva	139	0	0	139	0	0	0	0	139	139	0
Borja Prado Eulate	115	0	0	115	0	0	0	0	115	111	0
José Ramón Álvaren Rendueles	147	0	0	147	0	0	0	0	147	143	0
TOTAL	5,353	0	0	5,353	0	0	0	0	5,353	5,977	0

In thousands euros

THE COMPANY HAS IMPLEMENTED SEVERAL PROCEDURES TO MITIGATE THE RISK OF CONFLICTS OF INTEREST

Regulation of potential conflicts of interest

Both the Code of Ethics and the Group's Internal Code of Conduct regulate conflicts of interest, a concept that refers to any situation in which a conflict arises between, directly or indirectly, the interests of Mediaset España or the integrated companies of the Group and the personal interest of the person subject to the compliance of the said Code.

In addition, the Company has implemented several procedures to mitigate the risk of conflicts of interest: control procedures that promote transparency and good working practices, available to all staff on the Group's intranet.

Moreover, the Board Regulations establish various management mechanisms to detect and resolve potential conflicts of interest between the company and its directors in order to avoid behaviour that might cause harm to the company or its shareholders.

Corporate Governance Rules

- Articles of Association
- Shareholders General Meeting Regulations
- Board of Directors Regulations
- Audit and Compliance Committee Regulations
- Appointments and Remuneration Committee Regulations
- Mediaset España Comunicación, SA's Internal Code of Conduct in the stock market
- Code of Ethics
- Treasury Policy
- Dividend Policy
- Policy for the Selection of Board Members
- Tax Policy
- Corporate Responsibility Policy
- Environmental Policy
- Diversity Policy

Ownership structure of the Company. Company's capital.

Date of last amendment	Company's capital (€)	Number of shares	Number of voting rights
13/04/2016	168,358,745	336,717,490	336,717,490

Direct and indirect significant shareholders, excluding the Directors

Name or company name of the shareholder	Through	Number of direct voting rights	Number of indirect voting rights	% of the total voting rights
Don Silvio Berlusconi	Mediaset Spa,	0	169,058,846	50.208
Blackrock Inc,	Not identified	0	12,884,271	3.83
Invesco Limited	Not identified	0	6,691,901	1.99



Further information regarding Corporate Governance is available at <https://www.mediaset.es/inversores/en/corporate-governance.html>

RISK MANAGEMENT SYSTEM



The Risk Management System introduced in 2007, based on the Enterprise Risk Management (ERM) of the Committee of Sponsoring Organisations of the Treadway Commission (COSO II), which has been regularly updated since then, ensures a comprehensive and balanced risk management which aims to identify, control and manage significant risks that may affect compliance with the defined objectives.

The board of directors.
The highest governing body of Mediaset España. Among other tasks it has to identify the main risks of the Group, implement and carry out supervision of the information and internal control systems in place, for the purpose of adopting the measures required to reasonably ensure an effective internal control system and the development of improvements to said system.

Audit and Compliance Committee.
Delegated body of the Board of Directors. Its functions are to ascertain, check and supervise the suitability and integrity of the processes for the preparation of financial information, internal control and the risk management systems, ensuring compliance with the Risk Policy, among other responsibilities.

Compliance and Prevention Unit.
Accountable to the Audit and Compliance Committee, formed by the Corporate General Manager and the General Directors of Management and Operations, Content and Publiespaña. Among its tasks is that of ensuring the application of the Code of Ethics by the various Group companies and assess their degree of compliance, ensure compliance with the Internal Code of Conduct, manage the complaints channel and internal investigations, or establish and update the necessary controls for the prevention and detection of criminal behaviour.

The Risk Committee
Accountable to the Audit and Compliance Committee, formed by the General Corporate Manager and the General Directors of Management and Operations, Contents and Publiespaña. It is the body through which the executive risk management functions are carried out in the Company's day-to-day operation, laying down the framework for the Integrated Risk Management.

Acquisitions and Sales Committee
Formed by the Chief Executive Officer and the General Directors of Management and Operations and New Commercial Products, supported by the Director of Management Control and the Audio-visual Rights Unit of the Legal Department. It has the task of analysing the economic and financial information of any production needs, the purchase of goods or contracting services whose amount exceeds €20,000 per year, or when faced with the opportunity of buying / selling rights or other types of sale.

Security Management Committee
Formed by representatives from the Technology Division, the Internal Audit Department, the Legal Department, the Information Security Manager, Head of Physical Security and the Data Controller, together with qualified representatives of the user areas. Among its main functions are those of reviewing, approving and promoting the Security Policy, as well as monitoring critical security incidents that have taken place in the Group.

INTERNAL CONTROL OVER FINANCIAL REPORTING SYSTEM (ICFR)

CODE OF ETHICS

CRIME PREVENTION AND DETECTION MODEL

POLICIES AND PROCEDURE

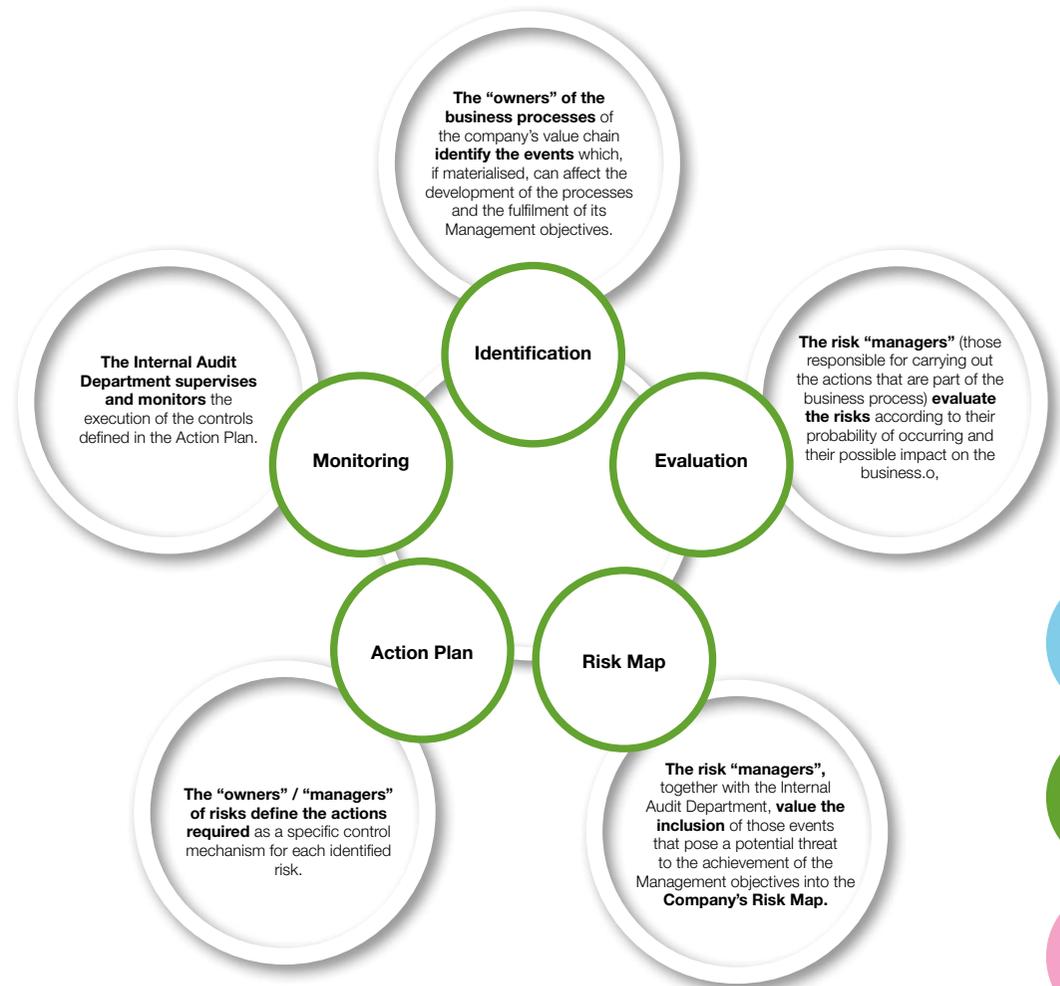
THE MEDIASET ESPAÑA GROUP HAS A SOLID INTERNAL CONTROL SYSTEM THAT ENSURES THE GOOD PERFORMANCE OF BUSINESS ACTIVITIES AND THE PROPER MANAGEMENT OF THE INHERENT RISKS.

The Risk Management Policy establishes guidelines for the identification, risk assessment and responses, as well as the control and supervisory activities. Within this framework, the company has mapped all processes involving business and structural operations so as to identify those that are key and critical to achieving the strategic objectives, on which periodic testing is carried out in order to validate proper compliance.

Furthermore, Mediaset España has implemented the necessary procedures to comply with Italian Law 262/05, regarding processes and control related to accounting information. Along the same lines, the Group has implemented an Internal Control Over Financial Reporting System (ICFR) which ensures the reliability of the financial information reported by the Group's companies on an individual basis and the consolidated financial information, as well as compliance with the relevant legislation and the correction of any weaknesses observed, minimising risks related to the reflection of these operations in the Group's annual accounts.

Every year, all personnel involved in the preparation and supervision of financial information and the evaluation of the ICFR receive training on accounting standards, risk control and risk management, auditing and tax updates. In 2017, these employees received a total of 574 hours' training related to accounting, tax and financial legislation.

Comprehensive Risk Management Policy



Risk Map



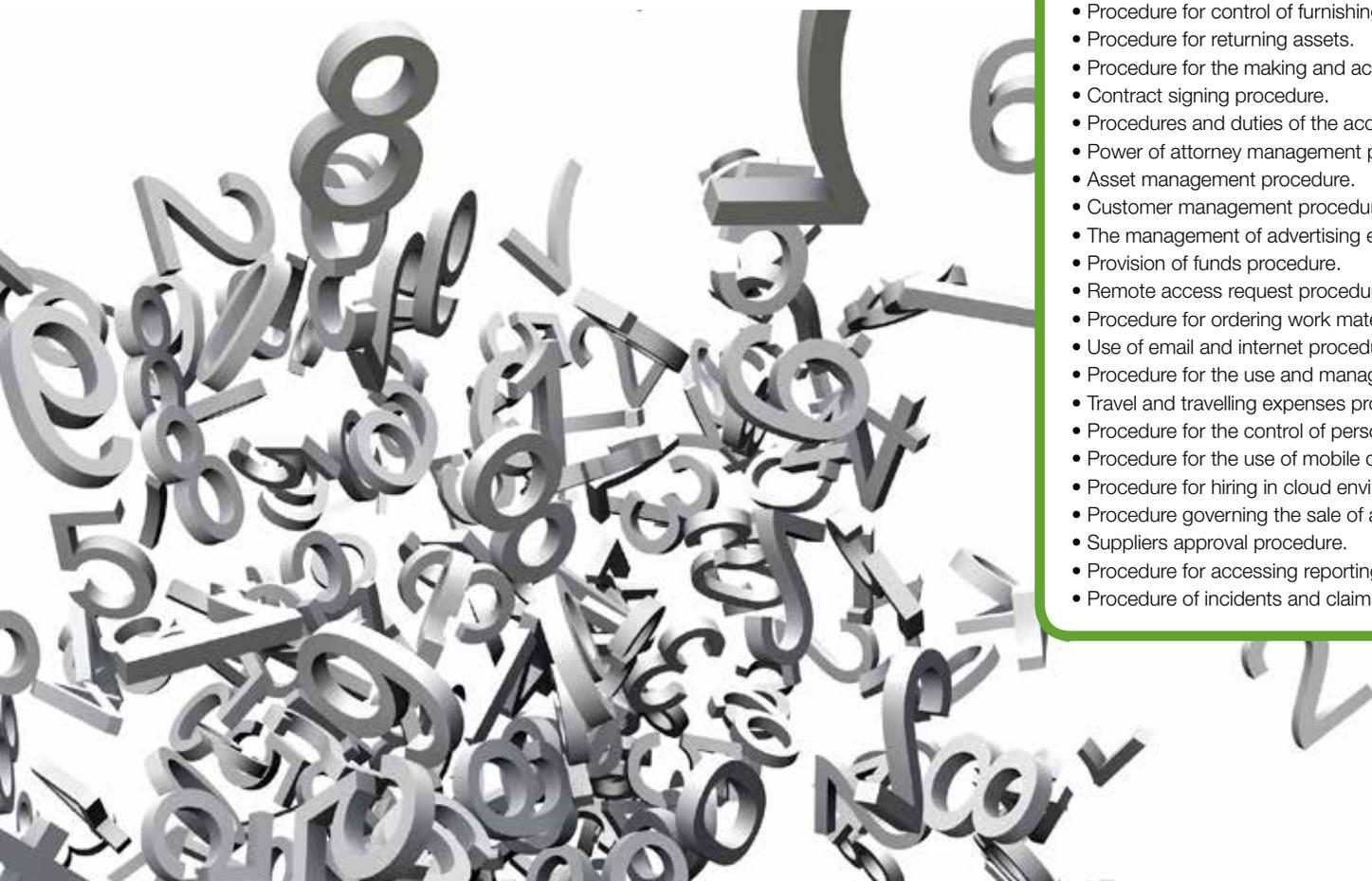
THE GROUP HAS DESIGNED A CRIME PREVENTION AND DETENTION MODEL WHOSE EFFECTIVENESS IS PRIMARILY BASED ON THE IMPLEMENTATION OF THE CODE OF ETHICS, THE DEFINITION OF AN INTERNAL CODE OF CONDUCT, THE PROVISION OF A COMPLAINTS CHANNEL AND THE CREATION OF A COMPLIANCE AND PREVENTION UNIT, ALL OF WHICH WILL BE ACCOUNTABLE TO THE AUDIT COMMITTEE.

Compliance and Prevention unit

- Definition and updating of the criminal risk map.
- Establishment and updating of the necessary controls for the prevention and detection of criminal conduct.
- Management of the complaints channel and internal investigations.
- Ensure and coordinate the application of the code of ethics by the different companies of the Group.
- Annually evaluate the level of compliance with the Code of Ethics.

Risk Management Policies and Procedures

- Code of ethics.
- Corporate security policy.
- Comprehensive risk management policy.
- Internal rules of conduct in the stock market.
- Money laundering and financing of terrorism prevention manual.
- Purchase of goods and services procedure.
- Rights purchasing procedure.
- Procedure for third parties connecting to Mediaset computing network.
- Broadcast continuity procedure.
- Procedure for control of furnishings and sundry materials.
- Procedure for returning assets.
- Procedure for the making and acceptance of gifts.
- Contract signing procedure.
- Procedures and duties of the acquisitions and sales committee.
- Power of attorney management procedure.
- Asset management procedure.
- Customer management procedure.
- The management of advertising exchange procedure.
- Provision of funds procedure.
- Remote access request procedure.
- Procedure for ordering work materials.
- Use of email and internet procedure.
- Procedure for the use and management of the company's complaints channel.
- Travel and travelling expenses procedure.
- Procedure for the control of personal data stored in non-automated files.
- Procedure for the use of mobile devices.
- Procedure for hiring in cloud environments.
- Procedure governing the sale of audio-visual rights.
- Suppliers approval procedure.
- Procedure for accessing reporting information.
- Procedure of incidents and claims to clients.



THE CODE'S PROVISIONS APPLY TO ALL AREAS OF PROFESSIONAL RELATIONS, GOVERNING, AMONG OTHERS, THE CONTRACTUAL, COMMERCIAL OR BUSINESS RELATIONS OF MEDIASET ESPAÑA WITH ITS SUPPLIERS AND CUSTOMERS.

Code of Ethics

The Mediaset Group has a Code of Ethics which establishes the fundamental values and principles that govern the Company, to which all employees, managers and Board members, as well as subsidiaries, are subject. The Code is therefore applicable to all kinds of professional relationships and governs, among other areas, contractual, commercial and business relations between Mediaset España and its suppliers and customers. All natural or legal persons who have any type of relation with Mediaset España in the course of their professional or business activities as external auditors, consultants, advisers, suppliers, advertisers, media centres, external producers, bodies, institutions, etc. are also required to comply with the Code of Ethics.

The document, updated and approved by the Board of Directors, is available on both the corporate website and the company's intranet and has been ratified by both, employees and directors, who have confirmed that they are aware of it and the fact that they are subject to its provisions.

Control of compliance with the Code of Ethics corresponds to the Internal Audit and Human Resources Management. Likewise, the Compliance and Prevention Unit, accountable to the Audit and Compliance Committee, and formed by Mediaset España's Corporate General Manager and the Management and Operations General Manager, the Content General Manager and the General Manager of Publiespaña, is responsible for ensuring compliance with the Internal Code of Conduct. Its functions include notifying any infringement of the said Code to Human Resources Management, which takes the requisite disciplinary action, where appropriate.

Fundamental Principles of the Code of Ethics

- Integrity, responsibility and transparency of financial information.
- Right to equality and non-discrimination.
- Right to health and safety at work and environmental protection.
- Compliance with prevailing legislation and regulations.

The main sections of the Code of Ethics

- Legal and regulatory compliance
- Conflict of interest
- Confidentiality and confidential information
- Privileged information
- Integrity, responsibility and transparency of financial information
- Equality and non-discrimination
- Health and safety at work and environmental protection
- Intellectual and industrial property
- Money laundering and financing of terrorism
- Freedom of expression and journalistic independence
- Commercial relations and commercial relationships with competitors
- Privacy and data protection
- Antitrust regulation
- Duty of communication and complaints channel
- Management of the code of ethics breaches

MEDIASET ESPAÑA HAS A MANAGEMENT AND FRAUD DETECTION SYSTEM INSTALLED TO PREVENT AND DETECT MALPRACTICE OR SUSPICIOUS TRANSACTIONS.

In order to ensure the effective implementation of the Code of Ethics and the various procedures that develop and implement it, the company complements and reinforces its preventive framework with a number of control processes that identify areas for improvement and detect potential breaches, with a view to taking the necessary corrective measures.

Internal Audit Management carries out control procedures over the application of the pertinent procedures and codes. Any possible case of irregularity, fraud or corruption, and any infringement of the Code of Ethics, may be submitted to this area, who must pass the case on to the Audit and Compliance Committee.

Any employee, executive, director and or interest group of Mediaset España that may have reasonable grounds for suspecting that practices contrary to the principles and values of the Code of Ethics or ethical practices and good faith in business are taking place, these concerns or attitudes can be directly transferred to the Internal Audit Management, or communicated through the Complaints Channel, available on the company intranet and also managed by the Management. Complaints should be made on an individual and personal basis.

The Internal Audit Management will analyse and assess the accuracy and credibility of the information received, raising those it deems justified with the Audit and Compliance Committee, for its final evaluation. It will also guarantee and appropriately ensure, the correct and complete protection of privacy and the confidentiality of the information disclosed, and the identity of the persons involved. Likewise, it must assess whether it can initiate the investigation on the information received or remit it to the Compliance and Prevention Unit. In the case it carries out the investigation, the Management will communicate the investigations conclusions to the Compliance and Prevention Unit, who must approve said report. During 2017, no complaints were received through the Complaints Channel.

In 2017, the Complaints Channel was improved by incorporating a module into the Corporate Intranet where the employee can directly access and lodge their complaint, which is available to the Internal Audit department, guaranteeing the confidentiality of the complainant at all times. A pop-up window has also been implemented which, every six months, reminds all employees and collaborators working in Mediaset España that they have a new complaints channel available to them.



Simultaneously, Mediaset España has installed a management and fraud alerts system in order to prevent unlawful practices or detect evidence of suspicious operations, it has 41 key indicators regarding the primary process of the Group related to revenue, costs and IT systems. These key indicators are monitored on a daily basis by automated control mechanisms covering the information recorded in the main applications that support the monitored processes.

Conflicts of interest are regulated by the Code of Ethics and the Group's Internal Code of Conduct. Establishing clear performance criteria and rules intended to avoid situations that create uncertainty surrounding the interests behind the actions of any person forming part of the company, with the ultimate aim of ensuring integrity in content creation and dissemination.



In turn, the Company has implemented several procedures to mitigate the risk of conflicts of interest: that promote transparency and good working practices, such as the Acquisitions and Sales Committee Procedure, the Purchase of Goods and Services Procedure, the Procedures for Signing Contracts and the Procedures for the Management of Powers of Attorney.

To avoid potential conflicts of interest in content creation and / or its disclosure, all content creation orders are reviewed, analysed and finally approved by the Group's Acquisitions Committee. This Committee is composed of the CEO, the Managing Director of Management and Operations and the Managing Director of Content, who ensure and verify that the third party to whom the order is made does not have a conflict of interest with the company. In the case of any purchase / sale of content with a shareholder or company owned by Mediaset España, said transaction must be previously authorised by the Committee or by the Board of Directors, if necessary.

Moreover, various mechanisms are in place to detect and resolve potential conflicts of interest between the company and its directors in order to avoid behaviour that might cause harm to the company or its shareholders. In this respect, under the Board of Directors Regulations, any related-party business transactions between the Mediaset España Group and its Board members must be authorised by the Board. The existence of a personal interest also extends to cover situations where the matter affects any person related to the director concerned (family members for natural persons and partners or directors, among others, in the case of legal entities). If a director is in a conflict of interest situation, he/she must notify the company immediately and refrain from attending and participating in discussions concerning matters in which he/she has a personal interest.

Group controls to mitigate the risks of corruption and bribery

ACCORDING TO MEDIASET ESPAÑA'S DETECTION AND PREVENTION OF CRIME PROTOCOL, THERE ARE A SERIES OF CONTROLS THAT THE GROUP HAS IN PLACE TO MITIGATE THE RISKS OF CORRUPTION AND BRIBERY IN ITS ACTIVITY.

IN 2017, THE COMPLIANCE AND PREVENTION UNIT HAS COMMISSIONED AN EXTERNAL CONSULTANT TO REVIEW THE EFFECTIVENESS OF ITS CRIME PREVENTION MODEL, A TASK THAT WILL CONCLUDE IN 2018.

- **A section referring to the prohibition of any corrupt practice has been included in the Code of Ethics.** During 2017, the Code of Ethics has been updated and employees have expressly accepted it.
- **Purchasing and acquisitions procedure**, which establishes the different levels of approval depending on the amount of the purchase or acquisition, the flow of activities to be followed by authorised persons by area, method of selecting offers, invoice management, etc.
- **Protocol for the approval and evaluation of suppliers**, applicable both for general purchases and for the acquisition of content rights, which establishes the criteria to be followed when analysing the suitability of a supplier, and proceeds with its approval, prior to its selection.
- **Acquisitions Committee**, where, in those cases in which the purchase of a good or service exceeds € 20,000 it is necessary to gain prior approval from the Committee.
- **Internal audits** related to the process of hiring and purchases.
- **Powers matrix and use policy.** The "Power of Attorney Management Procedure" defines the process to grant, modify and revoke powers by all the companies belonging to the Group. Its content includes fourteen guidelines related to the management of powers of attorney, in order to comply with the applicable regulations (Companies Act, Commercial Registry Regulations and Corporate Articles of Association).
- **Procedure for the making and acceptance of gifts and invitations**, whose main objective is to define the lines of action regarding the process of delivery and / or acceptance of gifts, giveaways, invitations, favours or equivalent by the employees, managers and administrators of the Group in his relations with third parties connected by their professional activity.
- **Contract signing procedure** that includes the steps to follow for a contract to be signed, making reference to the need to prepare the corresponding "contract file", those responsible for reviewing and signing said file, the process of drafting the contract and finally, the achievement of the corresponding signature.
- **Procedure for travel expenses and expenses, revised in February 2015, which defines and establishes reasonable and common rules that reflect** the particularities of the different expenses that Mediaset España employees may incur when traveling for work reasons, or other acts on behalf of the Company.
- **Inclusion** of contractual clauses relating to the prevention of criminal risks **into contracts with third parties.** It is included in the contracts that regulate the services provided by external companies, a specific clause in which suppliers claim to know the legislation regarding criminal risks and therefore, they are obliged to comply with it.

Anticorruption training procedures 2017

MANAGERS

9

HEADS OF DPT.

20

TECHNICIANS

42

TOTAL

71

WITH REGARD TO COMPUTER SECURITY, THE GROUP HAS ESTABLISHED A MANAGEMENT FRAMEWORK THAT IS PART OF THE CORPORATE SECURITY POLICY, WHICH PROVIDES THE NECESSARY CONTROL FRAMEWORK FOR THE NEW DIGITAL ENVIRONMENT.

Within the Annual Audit Plan, the Internal Audit Department carries out the analysis of the risks related to corruption in the lines of activity with the highest incidence in the Group. In this regard, in 2017, all of the Group's business units have been analysed.

In particular, in 2017 the Internal Audit Department carried out 3 audits related to the contracting and purchasing process, in which the purchase processes of fiction, entertainment and digital investment programs have been verified, which have been favourable. On the other hand, it has received 3 notifications regarding the acceptance of gifts that have been duly authorised and did not entail any risk of bribery.

In addition, the Economic and Financial Management has exhaustive controls in place to verify all collection and payment operations of its income and costs operations. Among others, it has protocols for client approval, customer cataloguing procedures, assignment of powers for payment with joint signature, verification procedures for compliance with third party obligations.

In terms of computer security, the Group has established a management framework that starts with the Corporate Security Policy, which provides the necessary control framework for the new digital environment. In turn, it has a Security Management Committee responsible for ensuring the implementation of computer security in a coordinated and centralised manner.

The control processes established by the Internal Audit Department for reviewing IT security are based, on the one hand, primarily on the revision of the different procedures defined in the IT Security Policy and on the other, a semi-annual review of the controls established in information systems. Both reviews are carried out in collaboration with the Head of IT Security.

In all the tasks planned by the Internal Audit Department that involve the review of the processes that are supported by computer systems, a specific section for reviewing the computer security of this system is included within its scope. Also, prior to the start of production of a computer system, a security review is carried out to verify that the initially defined controls have been implemented correctly



IT security is described under the "Cibersecurity" section of this report.

The Company has also implemented measures to minimise the risk of its employees committing any offenses involving aggressive behaviour when fulfilling their obligations or services. In this respect, it is guaranteed that security personnel subcontracted by Mediaset España have received training in the human rights area and hold the official Security Guard qualification which includes a training module on human rights. Mediaset España only works with security companies that have been authorised by the Interior Ministry and all security guards have a Professional Identity Card. On the other hand, faults or aggression committed in the workplace by any employee of the Group, are duly sanctioned by the Disciplinary Regime of the applicable Collective Agreements.

In the normal course of business, Mediaset España manages the participation of under-age artists in its programmes in strict compliance with the criteria and procedures established for this purpose by the Department of Employment in the Madrid Regional Government.

For this purpose, the company has a manual which brings together specific guidelines related to work to be carried out with minors, as well as the legislative framework applicable to employment relations with minors, concerning minors' rights, to ensure the proper conduct of children's activities on television and ensure that their rights to education and the enjoyment of their free time are not infringed. This manual is available on the intranet and is given to all production companies that hire children so that they implement the measures it sets out. In turn, the Code of Ethics also regulates individual behaviour to avoid attitudes that can be termed as corruption of minors.

Mediaset España carries out the constant review of its activities and the sets on which they work, in order to ensure full security and full respect for their rights. Among other issues, the company verifies the suitability of the access and waiting areas for minors, or the creation of properly adapted rest areas. Similarly, they are notified of the measures and actions to be taken in an emergency, and the presence of the minors' legal guardians during the relevant sessions is guaranteed. Working hours can never exceed 8 hours and additionally the scheduling of recording involving children is coordinated with their schooling timetable, to allow them to attend class on a regular basis.

IN THE NORMAL COURSE OF ITS ACTIVITY, MEDIASET ESPAÑA MANAGES THE PARTICIPATION OF MINORS IN ITS PROGRAMS STRICTLY FOLLOWING THE CRITERIA AND PROCEDURES ESTABLISHED IN THIS REGARD BY THE EMPLOYMENT COUNCIL OF THE COMMUNITY OF MADRID.

ANY PURCHASE OF GOODS AND SERVICES IN THE COMPANY IS REGULATED THROUGH THE ACQUISITIONS AND SIGNING CONTRACTS PROCEDURES, AND IT IS THE PURCHASING AND GENERAL SERVICES DEPARTMENT THAT IS RESPONSIBLE FOR CARRYING OUT AND SUPERVISING THE MANAGEMENT.

Self-regulation codes and agreements

- Code for the self-regulation of television content and children.
- Code of conduct on commercial advertising of gambling activities.
- Advertising code of conduct of the association for the self-regulation of commercial advertising (auto-control) and other specific advertising codes issued by that association.
- Deontological code of the federation of journalist (fape).
- European deontological code of the journalism career
- Ethical code of the association of media managers (dircom).

Specific guides for the sector

- European regulation on broadcasting quotas. (directive 2010/13/EU).
- Guarantee of awarding of spaces.
- Agreement of the procedure for the marketing and management of advertising space on general television.
- Best practice agreement for advertising.
- Audio-visual communication Act.
- The Cinema Act.
- The intellectual property Act.
- Advertising code of conduct.
- Self-regulation code for food advertising aimed at children, prevention of obesity and health (paos code).
- Self-regulation code for television content and children.
- Code of ethics for electronic commerce and interactive advertising (online trust).
- United nations global compact principles.
- Code of ethics for the best commercial practice for the promotion of children's dietary products.
- Code of conduct on commercial advertising of gambling activities.
- List of authorised declarations on the healthy properties of foods other than those concerning the reduction of the risk of illness and the development and health of children.

Risk management also undisputedly involves the management of the supply chain, considering the risks related to the activities carried out by suppliers and their impact on Mediaset España's business. In this respect, the procedures in place include:



Prior to the contracting of services or goods, the Suppliers Approval Protocol is applied: an analysis of suppliers' solvency, tax residence certificates in the case of non-residents and contractors' certificates in the case of residents, Politics and Quality Certifications and CSR.



The contractual relationship takes into account matters related to Personal Data Protection and the contracting of Public Liability and damage insurance, among others.



Those suppliers that provide their services inside the Group's facilities must in turn comply with requirements related to the Prevention of Occupational Risks.



For their part, suppliers specifically related to the gaming areas must have additional money laundering training.

ANY PURCHASE OF GOODS AND SERVICES IN THE COMPANY IS REGULATED BY THE PURCHASING AND CONTRACT SIGNING PROCEDURES.



Any purchase in excess of €20,000 must be approved by the Acquisitions Committee, which is made up of the Chief Executive Officer, the General Operations Manager, the General Content Manager and the General Commercial Manager, with Internal Audit Management acting as secretary and with the support of the company's Legal Department and Control Management.



Any purchase of goods or services in excess of €20,000 must be formalised in a contract.

AFTER THE SALE OF THIS COMPANY IN EARLY 2017, THE MEDIASET ESPAÑA GROUP HAS STOPPED PERFORMING ONLINE GAMBLING ACTIVITIES, THUS REDUCING THE MONEY LAUNDERING RISKS INVOLVED IN THIS TYPE OF GAMES.

In previous years reference was made to the Money Laundering and Terrorist Financing Committee, in charge of supervising the control measures of the operations related to online gaming developed by Premiere Megaplex, SAU, which was then a subsidiary of the Group. After the sale of this Company in early 2017, the Mediaset España Group has stopped performing online gambling activities, thus reducing the money laundering risks involved in this type of games.

On the other hand, the television competitions, managed through the company Concursos Multiplataformas, SAU, involve the participation of the contestants through telephone calls, sending text messages or any other electronic, computer or telematic procedure in which there is an additional pricing, no movements of money. Given its

characteristics and according to the risk analysis carried out by the Company, this type of game is, from the point of view of money laundering and terrorist financing, a low risk. However, and in accordance with the existing legislation applicable to contests, there is a Money Laundering and Terrorist Financing Committee that performs supervisory tasks of the controls prior to awarding the prizes. On the other hand, in 2017, training has been provided on topics related to the prevention of money laundering and terrorism financing for personnel who carry out support tasks for competitions. In this sense, 54 hours of training has been given to 27 people.



Main risks and management mechanisms

MAIN RISK	DESCRIPTION	STRATEGIC OBJECTIVE	MANAGEMENT MECHANISM	MATERIALIZED	MANAGED	INDICATORS	IMPACT SPEED
BREACH OF REGULATORY FRAMEWORK	Significant regulatory changes or changes in the interpretation of existing accounting, tax, criminal, employment, competition, data protection regulations, as well as regulation of audio-visual and advertising sector, which may affect the development of the business and the fulfillment of the strategic objectives.	 	<p>The Group has set up a working team in which all regulatory changes are analysed in detail by senior management, so that any unexpected decision can be coped with immediately and its impact on the company can be minimised.</p> <p>In turn, given the continuous monitoring by the regulator of the content broadcast by the channels, the Group has developed processes and implemented appropriate precautionary measures at the editorial control level to ensure that restrictions on broadcasting of content before the watershed are complied with and that these are properly catalogued, with viewers being advised beforehand.</p> <p>On the other hand, the Group participates in the development of regulatory frameworks related to business activities, through the Institutional Relations area of the company and its membership of relevant sector associations.</p> <p>However, it should be noted that the evaluation criteria for broadcasting content are entirely subjective and therefore it is difficult to entirely eliminate this risk.</p> <p>In 2017, the impact of IFRS 9 and 15 was analysed in the Mediaset España Group's consolidated financial statements. It is also working on the implementation of the new European Data Protection Regulations.</p>	<p>In 2017, several disciplinary procedures were filed for non-compliance, but without material impact for the Group.</p> <p>The sanctions received are detailed in the "About this report" section in the Explanatory notes.</p>	Mediaset España is present in the working groups created to assess regulatory changes and it also quickly implements all regulatory changes that occur and affect it.	<ol style="list-style-type: none"> Number of new disciplinary procedures in the year compared to last year. Number of closed procedures that have resulted in an economic sanction. 	
ADVERSE POLITICAL AND MACRO-ECONOMIC ENVIRONMENT	The television business is directly related to economic growth and therefore this is an external factor that has a direct impact on the business.		<p>Since the beginning of the crisis, the Group has adopted measures aimed at controlling both business and structural costs. These measures will be maintained for some time, given the current economic climate.</p> <p>In 2017 the political situation in Catalonia generated political instability that has affected the economy and advertising investments.</p>	No	Not applicable	Percentage of the decline in investment, with respect to the fall in GDP.	

 Leadership in the TV market
 Multiplatform content offer
 Adaptation to the regulatory framework

 SLOW (> 12 months)
 FAST (6-12 months)
 VERY FAST (<6 months)

MAIN RISK	DESCRIPTION	STRATEGIC OBJECTIVE	MANAGEMENT MECHANISM	MATERIALISED	MANAGED	INDICATORS	IMPACT SPEED
COMPETITORS AND MARKET SITUATION	Strong competition in the audio-visual sector where high fragmentation is enhanced by the entry of new agents into the market. Therefore, not only is there greater competition in terms of acquiring attractive content for users and in interesting economic conditions for the company, but also new creators and broadcasters of in-house audio-visual content emerge. In turn, the new content platforms are not subject to the same obligations and limits as television channels.	 	<p>Mediaset España strongly supports the promotion of all platforms of broadcasting content, with Television as the main platform. It is also taking initiatives that seek to combine TV content with the digital environment.</p> <p>Mediaset España continues with its strategy of enhancing its products, purchasing new events as well as strengthening its entertainment and fiction products in order to successfully compete</p>	New OTT competitors have appeared and the new DTT channels are now established.	Mediaset España continues to be committed to the multiplatform and to that end it has created specific teams for the digital field in the commercial and marketing areas. It continues working hard on an investment level for the continuous development of its multimedia platforms.	Audience data for DTT and on-line channels	
LOSS OF LEADERSHIP	The threat of losing leadership in profitability and audience share, as a result of a change in the advertising pricing strategies in the market and/or due to a lack of adapting the strategies for selling advertising to the evolution of TV consumption.	 	<p>From the perspective of leadership in profitability, Mediaset España carried out a thorough monitoring process of the state of the advertising market to achieve the appropriate billing- costs - profitability mix, without affecting its audience leadership.</p> <p>For this purpose, the company maintains its operations scheme of broadcasting most of its programmes as in-house productions, achieving an increased capacity to contain costs.</p> <p>Mediaset España tries to strengthen its leadership through its products and brands.</p>	No	Not applicable	Advertising share value achieved by the Group in relation to the total investment	

- Leadership in the TV market
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MAIN RISK	DESCRIPTION	STRATEGIC OBJECTIVE	MANAGEMENT MECHANISM	MATERIALIZED	MANAGED	INDICATORS	IMPACT SPEED
REPUTATIONAL DAMAGE	Mediaset España owns many brands, both corporate and products associated with its programmes, it is therefore, exposed to situations that may threaten its corporate image, and the image of the channels it broadcasts and their programmes.		<p>The Management of the Communications Department is responsible for maintaining the corporate image through the continuous monitoring of any news or activity that could cause a crisis impacting Mediaset España's image. In coordination with the Multiplatform Department Management, it also monitors any developments on social networks.</p> <p>It has also strengthened coordination with the programme producers to improve reaction times.</p> <p>When a situation of potential conflict is detected, the Management of the Communications Department coordinates, informs and advises the CEO as to which measures are necessary. Mediaset cooperates through projects/ campaigns for equality, environmental care and health protection, they are committed to education as a means for achieving a better society.</p>	Yes	The Group has activated its answer protocols.	Number of incidents produced affecting the Group's reputation	
FINANCIAL	The appreciation of the dollar against the euro has impacted the TV business, as broadcasting rights are purchased in markets that operate in this currency.		The company has contracted the necessary hedging and exchange insurance contracts to mitigate any potential negative impacts.	No	Not applicable	Exchange rate evolution	
TECHNOLOGICAL TRANSFORMATION	The constant and increasingly rapid technological evolution affects the way television is consumed. The lack of adjusting infrastructure, systems, applications and platforms to this evolution can have a negative impact on business sustainability.	 	Mediaset España monitors the evolution and effects that technological transformation can have on television and carries out the appropriate investments for the development of adjusted technologies and infrastructures.	No	Not applicable	Investment percentage approved.	

MAIN RISK	DESCRIPTION	STRATEGIC OBJECTIVE	MANAGEMENT MECHANISM	MATERIALIZED	MANAGED	INDICATORS	IMPACT SPEED
PIRACY	Technological advances and the decline in associated costs facilitates the possible unauthorised access to music and audio-visual content and that this content can be quickly shared by users of new technologies, without the authorisation from the owners of the legitimate rights and without any payment of fees or corresponding royalties.		<p>Mediaset España has established solid contracts with first-line providers for digital file hosting.</p> <p>In turn, it has defined procedures for controlling the content flow to different platforms and technical audits are carried out in order to review its correct application.</p> <p>Additionally, it has an external content monitoring service on youtube, which tracks and removes all content owned by Mediaset from this channel.</p> <p>With regard to films, the company has contracted a monitoring system by means of which it fights against the illegitimate access to the content, during the period in which the film is broadcasted in cinemas.</p>	No	Not applicable	Number of incidents related to this risk	
CYBER ATTACKS	Damage caused by third parties on the service platforms, resulting in the interruption of services provided to customers and / or a breach of personal data protection.	 	<p>Mediaset España has defined a Cyber Security Risk Map in the Group and the corresponding controls and mitigation measures.</p> <p>It has also established periodic revisions, both in terms of users and system vulnerabilities, as well as internal and external audits contracted and it has procedures for the appropriate treatment of incidents.</p> <p>The Group has an attack mitigation service through Denial of Service (DOS).</p>	The Group has not suffered any significant security incidents. It has only received virus alerts on computers, which were solved with the corporate antivirus tool.	Mediaset España continuously monitors new viruses / vulnerabilities that appear.	Number of incidents related to this risk	
LAWSUITS	Litigation and disputes that the Group maintains or may maintain with third parties in employment criminal, tax, contentious-administrative or civil and commercial jurisdiction matters pending final resolution.	 	Mediaset España, through its Directors and advisors, evaluates the risk for all litigation and disputes and, in those cases where the risk is probable and its economic effects are quantifiable, adequate provisions are provided.	Yes, without a material impact on the business.	A continuous monitoring of existing litigation is carried out from the Legal department and the affected areas.	Number of new cases	

MAIN RISK	DESCRIPTION	STRATEGIC OBJECTIVE	MANAGEMENT MECHANISM	MATERIALIZED	MANAGED	INDICATORS	IMPACT SPEED
LOSS OF INTEREST IN THE CONTENT OFFER	Acquisition and / or production of content and / or programming decisions that are not of interest to the audience.		<p>The Programming Management has a new product research unit that is continuously looking at the market looking for new products.</p> <p>The Group uses 4 as an incubator for new programs and maintains the brands with the largest audience.</p>	Yes	The Management makes the decision to advance the outcome of the program or relocate it to another of the Group's channels whose audience is more suited to the content.	Number of programs that cancelled broadcasts	
INTERRUPTION OF BUSINESS	Failure in the key systems or infrastructures of the business that may cause the interruption of the broadcast, with the consequent impact on profitability.		The Group has defined a business continuity plan that guarantees the immediate availability of personnel, systems and key platforms necessary to continue the broadcast. To do this, it carries out the necessary training and investments in infrastructures and technologies.	Yes, without a material impact on the business.	All protocols established for implementing the necessary technical solution have been activated.	Number of incidents	
BREACH OF CONFIDENTIALITY	Filtering of relevant confidential information (content, financial data, commercial policy or other sensitive business information), which can have a significant impact on the company's ability to achieve its strategic objectives.		Mediaset España has defined different protocols to ensure the confidentiality of information. The Code of Ethics, Corporate Security Policy, the protocol for the communication of information to the CNMV. In addition, privacy clauses are being included in contracts with its suppliers.	No	Not applicable	Number of incidents related to leaked information	

- Leadership in the TV market
- Multiplatform content offer
- Adaptation to the regulatory framework

- SLOW (> 12 months)
- FAST (6-12 months)
- VERY FAST (<6 months)

The risk associated with the possible impacts derived from climate change has been assessed in the company's risk map. However, it has not been considered material, given the management mechanisms implemented and the probability of occurrence or the expected intensity of the impact, should it occur.

DATA PROTECTION

MEDIASET ESPAÑA TRIES TO PREDICT AND ANTICIPATE NEW TRENDS, PERSPECTIVES, TECHNOLOGIES AND REGULATORY CHANGES.

Mediaset España carries out its business in an environment marked by factors such as the establishment of Big Data technologies, the digital transformation of businesses and companies, the rise of malware or exposure to unknown vulnerabilities affecting the personal data processing systems. In this context, the Group adopts a position where it intends to predict and anticipate in light of new trends, perspectives, technologies and regulatory changes.

Based on the premises defined in the company's Code of Ethics in relation to privacy and data protection, it is the Data Protection Unit, supported in other areas of the company, which carries out the necessary actions to guarantee privacy and the correct use of personal data. In 2017, the Unit focused on promoting the appropriate adjustment tasks to adopt the requirements that will be introduced by the new General Data Protection Regulations (RGPD) as of May 2018.

In this sense, an analysis of the different areas of the business has been carried out in order to identify the points of higher incidence regarding the adaptation to the new RGPD. To that end, the different departments' internal processes were examined, identifying and inventorying each data processing.

A working group was also established to promote the adaptation to the new Regulations, at a legal, technical and organisational level. The group's main advances have been the establishment of a risk analysis methodology to estimate processing's impact on users' privacy, the definition of the most appropriate strategy to update the Corporate Security Policy and internal regulations, and the development of an adequate legal framework in the relationship with service providers.



THE COMPANY IS REVISING ITS CORPORATE SECURITY POLICY AND A SERIES OF PRIVACY MANAGEMENT PROCEDURES SO THAT THE COMPANY ADAPTS TO THE NEW GENERAL DATA PROTECTION REGULATIONS.

On the other hand, during 2017 the mandatory biennial audit was carried out by an external auditor, resulting in the Group companies achieving a high level of compliance with the Personal Data Protection Act (LOPD) and the Regulations.

Likewise, 27 requests for ARCO rights (access, rectification, cancellation and opposition) were answered in a timely manner and 3 withdrawals of published content related to participation in contests and news. People who attended, as audience members, to the program recordings for those television channels carried out at Mediaset España facilities were informed in writing and their authorisation on image rights and personal data were also obtained. As in previous years, no substantiated complaints have been received in 2017 regarding violation of privacy nor breaches of personal data.

In the global context on the protection of personal data, the regulations with regard to privacy and the protection of personal data in the electronic communications sector are being analysed (ePrivacy Directive, Directive 2002/58/EC). In this sense, Mediaset España participates in sectorial groups for the assessment of its possible impact and application in the online marketing and advertising business.

In 2017, a training plan for managers was established to raise awareness among this group regarding Information Security and Privacy. At the same time, a global application plan has been activated for all the staff, which will allow the company to analyse the level of knowledge that the staff have in terms of Security, Privacy and certain aspects of compliance.

INTERNAL TRAINING AND AWARENESS, EFFECTIVE COORDINATION BETWEEN AREAS OF THE GROUP AND COLLABORATION WITH EXTERNAL AGENTS ARE THE THREE KEYS ASPECTS IN MEDIASET ESPAÑA'S STRATEGY TO GUARANTEE DATA PROTECTION AND INFORMATION SECURITY.

Regarding internal coordination, regular Safety Committee meetings have continued being held and, in parallel, the Data Protection Unit has in particular followed-up on those departments or business units that require specific advice, holding meetings with the most affected areas in terms of Privacy, to provide news and trends in the matter, as well as jointly assessing risks and possible alternative actions.

Finally, in 2017 Mediaset España has participated in different working groups, among which the Quality and Safety work group of Autelsi (Spanish Association of Telecommunications Users and the Information Society) stands out. The "Guide for Notifying Security Incidents" for the RGPD and other regulations (NIS Directive, Law 8/2011 for the protection of Critical Infrastructures, and the National Security Scheme) was drafted by this group. The company has also collaborated with the Spanish Data Protection Agency (AEPD) and the ISMS Forum (Spanish Association for the Promotion of Information Security) in the drafting of the "Guide for the Management and Notification of Security Breaches". Part of the content of these guides are being included in the internal-company standards to prepare for Mediaset España's adaptation to the RGPD.

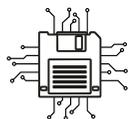
Security Officer
Certified Data Privacy Professional
 (ISMS Forum Spain)

CYBERSECURITY

Technology is an essential and differential factor in the Mediaset business. In this regard, the security measures and controls adopted by the Group seek to ensure the integrity, availability, confidentiality and access control of its information assets and the services it provides, in addition to helping to obtain and maintain the trust of the audience, users of its webs on the internet and clients and advertisers. Mediaset España guarantees, in addition, that corporate information is adequately guarded, complying with all laws, rules and regulations on data protection and sectorial.

Security Management Committee

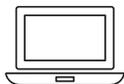
COMPOSITION



TECHNOLOGY
DIVISION



INTERNAL AUDIT
MANAGEMENT



HEAD OF IT SECURITY



DATA PROTECTION
UNIT



HEAD OF PHYSICAL
SECURITY



DATA CONTROLLER

FUNCTIONS

REVIEW, APPROVE AND PROMOTE THE SECURITY POLICY

REVIEW AND APPROVE SHORT-TERM AND LONG-TERM PLANS RELATED TO SECURITY.

REVIEW AND TRACK SECURITY INCIDENTS WITH MORE CRITICALITY.

VERIFY THE SECURITY MEASURES DEFINED IN THE POLICY

- 'Ransomware' Forum, organised by Computing Redes y Telecom
- Data Protection Officer & Cybersecurity Summit 2017, organised by IKN Spain
- e-Crime and Cybersecurity Spain Congress, organised by AKJ Associates

TOPICS ADDRESSED MAINLY RELATED TO THE NECESSARY MEASURES THAT THE GROUP MUST COMPLETE TO IMPLEMENT THE NEW GENERAL DATA PROTECTION REGULATIONS, AS WELL AS A REVIEW OF THE CONTROLS ALREADY IMPLEMENTED TO GUARANTEE THE PRIVACY OF THE DATA. OTHER ISSUES ADDRESSED WERE THOSE THAT RELATED TO THE DIGITAL AND PHYSICAL ACCESSES OF USERS/ EMPLOYEES/THIRD PARTIES TO THE GROUPS FACILITIES AND/OR IT TOOLS.

11 MEETINGS HELD
IN 2017

MEDIASET ESPAÑA HAS HIGH AVAILABILITY AND REDUNDANCY IN SERVICES AND INFORMATION SYSTEMS THAT ARE CONSIDERED CRITICAL.

The Technology Division -with the support of the Security Management Committee- coordinates and operates the technical security of computer systems and of any kind (Business and industrial IT systems)

The framework for action is set out in the Corporate Security Policy and the internal operating procedure, which are applicable to Mediaset España's employees and managers. Protocols and technical manuals are also available, which concern technical personnel and system administrators.

Mediaset España has high availability and redundancy in the services and information systems that are considered critical. The availability requirements are set out and reviewed in the Business Continuity Plan and apply to the broadcast systems as well as the computer and supplies' equipment.

A procedure for the appropriate treatment of incidents (Security incidents management procedure) has been established and simulations are carried out following the guidelines established. In addition, periodic reviews and audits of systems vulnerabilities and apps are carried out, and user activity controls are established.

We have continued working throughout the year in order to move from a traditionally reactive attitude in terms of computer security or cybersecurity, towards a more proactive and transversal approach, focused on prevention through anticipation, developing projects for this purpose, based on digital transformation, on engineering and application development, and contemplating IT security in systems operations and differentiated business initiatives. In this regard, the decision to allocate resources for the development of specific projects in cybersecurity and to include items dedicated to Information Security in other projects has been key.

The company has also significantly insisted on increasing the involvement and collaboration with employees from other departments and areas – as well as working with the Technology Division, it has also worked with Internal Audit, Human Resources, Legal department, etc. -. The Security Committee continued being active and regular meetings were held with the most affected areas in terms of Privacy, to convey

the main novelties and trends in the matter. Thus, it seeks to make IT security a transversal practice that involves the company as a whole.

Regarding the main milestones of 2017, it is worth noting that the company has undertaken a safety assessment and has renewed its adaptation to the 27002 standard in order to optimise certain processes, together with the 27001 standard. Additionally, a medium-term strategy was established regarding initiatives and investments on information security management and privacy management.

On the other hand, vulnerability reviews of web and mobile applications have been carried out after the necessary adoption of the design philosophy and responsive development, in order to guarantee that security has not been reduced.

Finally, in 2017 a procedure was developed to establish common guidelines about how to manage and send sensitive corporate information. Additionally, an Access Management and Information Rights tool has been implemented providing technological support to the procedure. This solution allows for the application of Security rules and policies in the distribution of corporate information, as well as carrying out the pertinent follow-ups.

IN 2017, A PROCEDURE HAS BEEN DEVELOPED TO ESTABLISH COMMON GUIDELINES ON HOW TO MANAGE AND SEND SENSITIVE CORPORATE INFORMATION.

Cybernetic Crisis Management

On April 20 Mediaset España took part in the project "Cybernetic Crisis Management", directed and organised by the Spanish Association for the Promotion of Information Security, whose satisfactory results for the company were presented at the XIX International Conference on Information Security. This initiative, sponsored by several manufacturers and supported academically by relevant companies, had the institutional support of the National Security Department (DSN), Critical Infrastructures National Centre (CNPIC) and the Cybersecurity National Institute (INCIBE).

SUPPLY CHAIN MANAGEMENT

SUPPLIERS DECLARE THEIR COMMITMENT TO AN ETHICAL AND RESPONSIBLE MANAGEMENT.

The supply chain management is part of Mediaset España's responsible and sustainable business management. For that purpose, the company promotes responsible practices within its area of influence by transmitting environmental, social and ethical standards to its supply chain.

Mediaset España introduces clauses into the contracts it has with its suppliers to ensure responsible business behaviour throughout its value chain. Since 2010, the companies that collaborate with Mediaset España agree in their contracts to make a commitment to act **ethically and responsibly**.

In particular, it refers to respect for employees' and union agreement rights, refrain from using child labour, to reject all kinds of forced labour, prohibit any type of discrimination, comply with occupational hazard prevention legislation, assure employee safety during working hours and prohibit any conduct that entails corruption, blackmail or extortion. In addition, they are asked to declare that they will respect environmental regulations and promote the efficient use of limited resources such as energy, water and raw materials in the course of their activity.

The main contracts managed by Purchasing and Services Management in 2017 were, as in previous years, concentrated on the purchasing of technological material, as well as the contracting of professional and production services. Together, these purchases have represented 70% of the years contracting of products and services.

Types of goods and service suppliers



TECHNOLOGY

36%



WORKS AND MAINTENANCE

10%



SECURITY

3%



RECEPTIONISTS, AUXILIARY STAFF

2%



PROFESSIONAL SERVICES

18%



PROGRAMME AUDIENCE

6%



CLEANING

3%



TRANSPORT

1%



PRODUCTION SERVICES

16%



TRAVEL

3%



DINING AREAS

2%



OTHER SUPPLIES

1%

MEDIASET ESPAÑA'S SUPPLY CHAIN IN 2017 WAS MAINLY MADE UP OF SPANISH SUPPLIERS

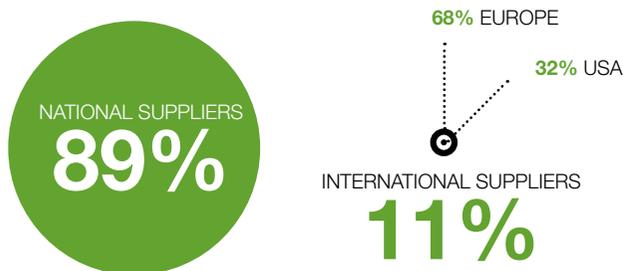
The technical material purchased in 2017 was essentially hardware, software, cameras, mixer, matrices, sound and image equipment.

Professional services were related mainly to IT applications maintenance and development, and consultancy and audit services; production services were mainly related to set design, illumination and subtitling.

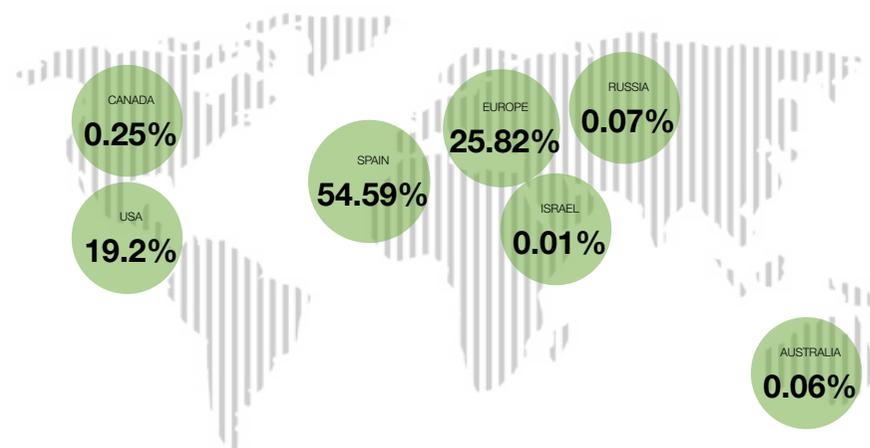
Mediaset España's supply chain in 2017 was made up mainly of Spanish suppliers. External contracting has responded to the acquisition of technological services that have been supplied in most cases by European companies.

With regard to **the supplier's distribution of content broadcast rights** in 2017, 55% of contracts corresponded to suppliers of Spanish broadcast's rights, more than 25% to suppliers from other European Union countries, more than 19% to US and Canadian suppliers and 0.4% of the acquired rights corresponded to suppliers in other countries such as Russia, Australia and Israel.

Products and Service Suppliers



Note: The supplier must have a Spanish tax code and the invoice must be paid in Spain in order to be classed as Spanish.



Management of our production companies

Within the supply chain, the producers develop a key task for Mediaset España. A profile of the companies' subsidiaries is shown as follows.



Editorial Independence

Freedom and editorial independence is shown in the complete authority that production's Directors have over the editorial content of their programme, starting from the script writing to the editing and especially at the time of broadcast, if it is a live programme.

Content Quality

The content quality in Producciones Mandarina is defined by the quality of the scripts, the narrative structure of each programme and the profile of the presenters, collaborators, guests or the actors and their characters. Technical quality is also relevant, which includes the level of audio-visual records such as lighting, sound and musical setting and the video and graphics production model created for each programme.

Additionally, the innovation in the creation of content constitutes a fundamental element for PRODUCCIONES MANDARINA. To this end, the New Projects department works by analysing and studying all the new projects that are presented, both in Spain and internationally, participating in fairs and capturing new ideas and trends. The presentation of a new project is usually carried out in meetings where the Mediaset España content production team is present, who, in order to assess the most interesting projects, usually request the complete development of the project's contents and the production of a pilot programme or a video demo of the proposal.

Pluralism and diversity

The profile of programmes is very diverse, but respect for difference and diversity options and opinions is maintained in all of them. In current affairs programmes, the variety of sources consulted and fidelity towards the reality of the news are valued; as for entertainment programmes or magazines, diversity on the guest panel is valued; in fiction, these concepts are included through the narrative of scripts. For instance, in 2017, the entertainment programmes or magazines such as 'Qué tiempo tan feliz', where guest diversity and pleasant and friendly interviews are valued. Comedy programmes like 'Dani y Flo', which intends to entertain and amuse with a different vision of current affairs and the surprise guests that visit the programme. Special programmes such as 'Camino al orgullo' which, through different testimonies from the LGBT community tells the story of how the path, which separates rejection and repression from equality and freedom, has been travelled in just 40 years.

Freedom of expression

Journalism activities are governed by PRODUCCIONES MANDARINA's Code of Ethics, which establishes that presenters, collaborators, management team and editors need to act in compliance with the principles of veracity, objectiveness and independence of the information transmitted, as well as with the principles of freedom of expression and information, professional secrecy and non-discrimination in the generation of content.

Furthermore, the company is fully committed to rectifying any information that does not abide by the principle of veracity and does so whenever necessary.

Right to privacy and honour

A clause has been included in collaborators' and presenters' contracts which requests compliance with the law relating to honour, privacy and a person's personal image rights, assuming responsibility before the producer if any of these rights are breached.



Workforce Data



Workforce at 31st of December 2017

42 **31**

Average Workforce 2017

49.03 **33.44**

Average length of service

5.45 **6.29**

All Producciones Mandarina's employees are situated in Madrid, although some activities may be occasionally carried out in other cities and provinces.

100% of the workforce is covered by a Collective Agreement. The Collective Agreement in force: II Collective Agreement of the Audio-visual production industry (Technicians).

Intellectual property rights

Mandarina works with assignments of rights and contracts related to images, presenters, collaborators, guests, telephone recordings, indoor recording, musical interpretation, casting, authorisation for minors, etc. Assignments exist when the materials or collaborations are free, and contracts exist when they are performed in exchange for economic consideration.

In both cases, all intellectual property, commercialisation and image rights that may correspond to Mandarina on audio-visual recordings are transferred to Mandarina; and the contract term guarantees that the audio-visual recordings do not infringe any type of third parties' rights, and establishes the assigning party as liable for the ownership and the pacific exercise of said rights.

The content control process

The content control process is managed by the Content Management Department, which establishes the editorial line of each programme. The programme directors are in charge of managing and deciding the content. The Executive Production of both Producciones Mandarina and the TV channel supervise them.

Fringe benefits

- Flexible hours.
- Flexible hours and the adjustment of functions and activities to the needs of pregnant employees.
- "Ticket Restaurant" vouchers for all staff and agreements with restaurants on the price of set menus.
- Bus service for employees.

Training given to the workforce on health and safety

In 2017, in compliance with the Occupational Health and Safety requirements, online training was provided to the workforce on "General risks on safety and health at work".

Employment stability

The sector's high temporary employment rate means that around 70% of the current workforce has previously provided their services in another project by the production company. Thus, Producciones Mandarina manages to make the training profitable and at the same time generate greater involvement and loyalty.

Energy Resources Management

- Hourly climate control.
- Progressive incorporation of LED lighting.

Waste Management

- Toner recycling: Biotoner Ecologic Systems
- Paper recycling: ECO-SHREDDER S.L.U / SHRED-IT
- Management of computer components, computers, monitors, telephones and video players: delivery to recycling point.
- All XDCAM DISCK and memory cards are recycled: these are formatted and reused in the new programs produced by MANDARINA.

Media used for recordings

60% of the recordings are made in PROFESSIONAL HD XDCAM DISCK, 30% of recordings are made in PROFESSIONAL XDCAM DISCK and the other 10% are made on memory cards determined by the model and brand of the camera used; SD cards, compact flash, Panasonic P2.

Mobility

- The train is the preferred mode of transport. If deadlines and the transfer of equipment and materials so require, other means of transport are considered. In this case, plane, van and car are used for local traveling within the Community of Madrid.
- Producciones Mandarina has two diesel cars via a renting contract of 30,000 km per year.



Right to Privacy and Honour

Specific clauses related to the need to not incur any privacy or honour violations of third parties' rights to privacy or honour have been included in the contracts of all employees and/or programme participants.

Freedom of Expression

A large part of the programmes produced by La Fábrica de la Tele have an important opinion and debate component. It seeks to address issues that integrate different perspectives and that opinions are balanced. From this perspective, the fact that those who intervene exercise their right to freedom of expression without restrictions other than those legally established is considered a fundamental value. As freedom of expression does indeed also find limits in public debate, all collaborators and/or programme participants are warned, including specific contractual clauses on the need to not incur any privacy or honour violations of third parties rights.

Fringe benefits or conciliation measures

- Ticket restaurant vouchers for all staff, who have a one-hour break for lunch during their working hours.
- Flexible hours
- Health Insurance
- Training courses

OSH Training

The company provides occupational health and safety courses such as those related to data visualisation screens, fire safety plans, office training and safety training. However, no OSH course was taught in 2017, as 90% of the workforce had received training within the last 2 years.

Energy Resources Management

Automated lights and air-conditioning control systems in the offices.

Waste Management

Selective collection and recycling of plastic, paper and toner: ARCE RECUPERACIONES.

Recordings are saved digitally, such as XDACM and P2 cards. Both are reused in order to avoid unnecessary consumption. In the case of XDCAM, once the contents of the XDCAM are digitised, the documentation department deletes the content for later reuse.

Intellectual Property Rights

A large part of the audio-visual content that makes programmes is owned either by the television channel that broadcasts them or provided by press agencies, image banks and well-known companies who manage third parties' intellectual property rights. In any case, if works or content subject to third parties' intellectual property rights are used, these are backed by an assignment of rights document. This signed document is necessary for the use of the work or content.

The content control process

In addition to its governing body, the company is structured into two large areas or departments: content and production. Each of these departments has a coordinator that brings together and organises, in their respective areas of competence, the teams that participate in the production of the programme.

Responsibility for the programmes' content rests, in the first instance, with its director, who starts, in any case, with the guidelines established by the Content Coordinator and the governing body, whose criteria is also very relevant in the content's definition and determination of the final version of the programme. The last content filter is determined by the television channel in charge of broadcasting it.

Employment stability

The company's workforce is made up of permanent personnel with an indefinite employment contract and workers linked to the company by virtue of employment contracts for a specific project or specific duration. The latter are normally hired for projects in respect of which there is a production order; the company tries to maintain stable teams and, if they fit the profile, use the same workers for future audio-visual productions.

Workforce data



Workforce at 31st of December 2017

148 **137**

Average Workforce 2017

153 **141**

Average length of service

3Y 5M 9D **3Y 8M 5D**

All the workforce is covered by a Collective Agreement. The Collective Agreement in force: II Collective Agreement of the Audio-visual production industry (Technicians).



Right to privacy and honour

All collaborators and presenters are committed to respect the honour and privacy rights in all their interventions and collaborations.

Intellectual property rights

Supersport's employees and its external collaborators transfer, by way of a clause included in their contracts, all their renounceable property, industrial and image rights to Supersport and Mediaset España, which have the right to exploit them. All original names can be registered as Mediaset España's brands.

Training

In 2017, in compliance with the Occupational Health and Safety requirements, training related to data visualisation screens has been provided.

The content control process

In Supersport, editorial independence, content quality, pluralism, diversity and freedom of expression are guaranteed by Mediaset España's Editorial Management. This Management defines the editorial line and it is implemented through programme editors and area coordinators to all members of each department.

Employment stability

Supersport's workforce is very stable given the nature of most of the programmes produced (daily sports news).

Collective Agreement

Supersport's employees are covered by the II Collective Agreement of the Audio-visual production industry (Technicians).

Fringe benefits or conciliation measures

- Life Insurance
- Food
- Training
- Free parking space
- Access to public transport (bus service to connecting Metro and Train stations).
- Flexible remuneration: Nursery vouchers and health insurance

Workforce data



Right to privacy and honour

All collaborators and presenters are committed to respect the honour and privacy rights in all their interventions and collaborations.

Intellectual property rights

Megamedia's employees and its external collaborators transfer, by way of a clause included in their contracts, all their renounceable property, industrial and image rights to Supersport and Mediaset España, that have the right to exploit them. All original names can be registered as Mediaset España's brands.

The content control process

Mediaset España's Editorial Management defines Megamedia's editorial line. This is transferred and implemented through the area coordinators to all members of each department.

Collective Agreement

Megamedia's employees are covered by Madrid's Regional Collective Agreement for Office Workers.

Fringe benefits or conciliation measures

- Life Insurance
- Food
- Training
- Free parking space
- Access to public transport (bus service to connecting Metro and Train stations).
- Flexible remuneration: Nursery vouchers and health insurance

Training

In 2017, in compliance with the Occupational Health and Safety requirements, training related to data visualisation screens has been provided.

Workforce Data



CONTENT MANAGEMENT

THE PRINCIPLES GOVERNING JOURNALISM ARE REFLECTED IN MEDIASET ESPAÑA'S CODE OF ETHICS

Mediaset España is aware of its responsibility in the Spanish audio-visual market and, in general, in the information society. In this sense and bearing in mind the prevalent entertainment function of the Group's channels, the company considers that the responsible management of the content it broadcasts represents an essential aspect for the sustainability of the business. Therefore, both journalism and entertainment activities are within the framework of the management model that is based on the Code of Ethics; the different internal processes of content creation and broadcasting contribute and complement it.

Keeping in mind the role held by the independent media in a democratic society, Mediaset España carries out its journalistic activity with a rigorous application of ethical standards that regulate the activity and guarantee compliance with the fundamental editorial aspects to excellently fulfil its role.

Fundamental editorial aspects



The principles governing journalism, reflected in Mediaset España's Code of Ethics, establish that journalists must carry out their work in strict compliance with the principles of veracity, objectiveness and independence of the information transmitted. While carrying out their work, they must observe the principles of freedom of expression and information, professional secrecy and non-discrimination, guaranteeing editorial independence through internal mechanisms that provide protection from any governmental, technical or other type of interference with the generation of content.

Mediaset España is fully committed to rectifying any information that does not abide by the principle of veracity and does so whenever necessary, using the same media where the information was broadcasted.

Pluralism and diversity of information sources and active participation from various sectors of society are highly valued by Mediaset España and are integrated into news coverage and discussion programmes, seeking to strike a balance of trends and opinions so as to offer quality audio-visual services suited to all audiences.



PLURALISM AND DIVERSITY OF INFORMATION SOURCES AND ACTIVE PARTICIPATION FROM VARIOUS SECTORS OF SOCIETY ARE HIGHLY VALUED BY MEDIASET ESPAÑA AND ARE INTEGRATED INTO NEWS COVERAGE

News content management

Telecinco's newscasts are usually the most watched of all the national channels and this is due to its informative credibility. This is based on the value of its informative presenters and editors, led by Pedro Piqueras, a renowned journalist with high credibility and independence.

Mediaset España's newscast does not give an opinion, but rather, it provides the viewer with the data and information necessary to critically assess the facts and draw their own conclusions. On the other hand, the debate programmes include representatives of all tendencies and positions, so that the viewers have the possibility to compare various opinions.

The immediacy of the information that is distributed more and more through social networks forces the media to filter, contrast and inform in the minimum period and without neglecting the necessary rigour of information. To do this, Mediaset España's newscast editors check the source and tries to contrast it with a second source, and in the case where the editor is not sure that the images are real, they are not broadcast.

- **The Weekly Editorial Committee** formed by the top managers of the company to go over the news milestones.
- **Daily editors meeting** to review the contents to be broadcast, as well as the content broadcast, analysing those that have not adjusted to the previously defined editorial approach.
- **Permanent contact** between journalists and area managers to update the information.
- **Daily control** of the content broadcast subject to intellectual property.
- **Citation of sources** when they are public and agree to be mentioned; maintain confidentiality of the sources when they request it.

Tele5 and Noticias Cuatro newscasts produce between 80 and 90% of the content broadcast. Each image or content that is not produced in-house is received through a technical room that is subject to a script previously provided by the production department, in which it registers, among other aspects, the origin of the rights, which forces the payment of them. In turn, it is sent to the Documentation department where the source, the origin and the referred rights are recorded, to proceed with the subsequent control. In this regard, the access to the content is locked depending on the rights limitation to which it is subject. Thus, a control of the contents' intellectual property is carried out, as a previous and subsequent filter to the broadcast thereof.

For the occasional use of free access images available on social networks, a process of contacting the author and negotiating the conditions of use is activated (quotation right, exclusive subscription of the images, partial subscription with or without restrictions, etc.)

On the other hand, when music or cinematographic sequences are used, a report of the uses that are made in each montage and sent directly to Mediaset España's Editorial Unit department, which executes the appropriate payments to the SGAE.



Social networks are an infinite source of videos and images and interaction with users is very fast and efficient. The comments on the news also allow us to analyse the readers reactions about them, comments that are moderated by Mediaset España's websites team.

INNOVATION
IN TERMS OF
CONTENT
CREATION IS
ESSENTIAL
TO MAINTAIN
MEDIASET
ESPAÑA'S LEADING
POSITION IN THE
AUDIO-VISUAL
INDUSTRY.

Entertainment content Management

Innovation in terms of content creation is essential to maintaining Mediaset España's leading position in the audio-visual industry. The New Projects Area spares no effort in keeping on top of all new developments in Spain and internationally, they remain in constant contact with production and distribution companies, taking part in trade fairs, examining new trends and studying new products in order to decide whether to include them in the Group's programming.

New projects are generally taken on board during meetings attended by the content production team and, where possible, the Production Department's Manager and even Mediaset España's General Content Manager. Details on the types of materials offered by external producers are highly relevant during these meetings. A decision is usually taken on proposals made during the same meeting, either rejecting them because they are not interesting or asking producers to work on them. In the latter case, it is common practice to request the full development of a project's content and even a pilot programme or a video demo of the proposal to assess its TV potential.

If the content production team directly receives a project, a report is submitted to the Director of the Production Department and also, in most cases, to the head of content production for the channel deemed most suitable. The team analyses the proposal and decides whether it is of interest to the company.

Once the project is approved, the Antenna Division participates in the content development phase to optimise the product. Content is analysed for inclusion in the programme schedule, taking into account age classification or target audience, among other considerations, in order to develop programming strategies and determine the best screening dates, content marketing strategy, launch campaigns, best TV promotion formats and other activities relating to the programme's positioning for optimal performance.

In order to align content creation with the company's values and Code of Ethics, Mediaset España has defined and implemented a pyramidal control system in which generated content is assessed and monitored.

The **Editorial Committee** defines the editorial strategy together with the Management of the Content Department. These guidelines, ranging from the programme's objective to the time slot in which it is to be broadcast and the language to be used, are transmitted to the production companies and the Executive Producers are responsible for monitoring its implementation.

Every week, the **Content Committee** goes through issues related to the programmes content and topics of the Group's different channels and their programming.

Live programming is assessed and monitored daily in meetings attended by the channel's Managers and programme producers. All aspects of the programme are addressed, from the content to be broadcast or complaints received to the images and captions to be used. In turn, it is supervised by the Executive Production, either with their presence on the set or control of the programme completion or viewing the live programme broadcast, making observations to the programmes directors if necessary.

The **rest of the programmes** are also monitored by Mediaset España, starting with the definition of the programme content guidelines and sending them to the producers. Subsequently, once the programmes have been created and submitted by the producers, Mediaset España views them to assess compliance with the guidelines, the Code of Ethics, respect for human rights, rights of children and the right to privacy, among other issues. Once this assessment has been made, findings are sent to the production companies for them to adapt the content accordingly before submitting the programme to Mediaset España again for further analysis and assessment.

CONTENT
CREATION IS
ALIGNED WITH
THE COMPANY'S
VALUES AND CODE
OF ETHICS

IN ORDER TO BRING CONTENT QUALITY INTO LINE WITH THE VIEWERS' EXPECTATIONS, MEDIASET ESPAÑA HOLDS REGULAR MEETINGS TO ANALYSE PROGRAMMING AND AUDIENCE FIGURES

In the case of programmes featuring children, in addition to the controls referred to above the programme is sent to the Child Protection Authority for approval before it is broadcast.

During work meetings, the Executive Producers review scripts and outlines, and in the case of pre-recorded content they view the programmes prior to their screening.

In addition to these periodic procedures, quarterly meetings of the **Self-Regulation Committee** attended by the heads of the Antenna Division, Content Production Division and Institutional Relations Department are held to analyse complaints or claims received and transmit their findings to the production companies in order for the relevant content to be corrected and improved.

Finally, the categorisation of the audio-visual content to be broadcast, is defined within the framework of content's self-regulation, with the application of the new "Age Rating System of audio-visual products" subscribed to by the free to air TV operators in 2015 and under the supervision of the Spanish National Market and Competition Commission.

Under this **framework of self-regulation**, all television content must be rated, except for news programmes and the broadcast of events (sports, musical, cultural, political, bullfighting and bull runs). For the said classification, it should be analysed whether the content contains one or more of the seven content categories identified in the System as potentially harmful (violence, fear or anguish, sex, discrimination, drugs and toxic substances, imitative behaviours and language), which are analysed independently. The presence, verbal or visual, intensity, realism or frequency of these contents in the programme will determine the age below which their viewing is not recommended. The age qualification given will determine the time slot in which each programme can be broadcast.

Audience satisfaction

- **Daily consultation of households/individuals** through a people meter (Kantar Media)
- **Qualitative studies** - Focus Group (9 in 2017)
- **Neuromarketing studies** + opinion questionnaires (12 in 2017)



For the purpose of aligning the television offer to the expectations of the audience...

Studies on a group of viewer's preferences

Studies on the level of familiarity with the thematic channels of the company

Analysis of the thematic channels positioning on the remote control, among others.



Intellectual property protection is provided by the assignment contracts signed with works' producers and the registration of all the programmes' names (their brands) by Mediaset España.

As for the music created for a specific Mediaset España programme, it becomes part of the Telecinco Editorial Group catalogue. An editorial contract is signed with each one of the authors of these works and duly registered with SGAE, together with the musical score. Mediaset España declares the use it makes of the entire musical, audio-visual and theatrical repertoire to SGAE, which subsequently distributes the rights generated as applicable.

The Antenna Division is responsible for the **distribution of content through the self-promotion** of Mediaset España's products. The editorial lines of self-promotion campaigns are managed under the direction and supervision of the Antenna Department's Manager, along with the Self-Promotion Sub-division and the cooperation of the Programming and Marketing Directors. This requires a very close collaboration with the In-House Production and Fiction Departments, as well as with the producers who make the programmes, with the aim of reaching a consensus on the concepts that they want to promote, where the purpose of a promotion campaign is to attract the maximum number of viewers to the program.

Once the editorial lines are defined and the campaigns' target audience has been agreed, the **Self-Promotion Sub-division's** creative team creates the different elements of the promotion, keeping in constant contact with the Antenna Division's Management, so that they can supervise it and make sure that the publishing guidelines for promotions defined by Mediaset España's Management are met.

In order to enhance the distribution of content, Mediaset España also makes the programme schedule available to viewers on its websites, thereby increasing opportunities to access content, which is completed by the agreements on the in-house content broadcast through the new payment platforms.

In order to bring content quality into line with the viewers' expectations, Mediaset España holds regular meetings to analyse programming and audience figures, and commissions market research surveys on television content from independent companies. These surveys combine qualitative analysis, social media studies and other types of analysis employed in the audio-visual industry.

IN ORDER TO ENHANCE THE DISTRIBUTION OF CONTENT, MEDIASET ESPAÑA ALSO MAKES THE PROGRAMME SCHEDULE AVAILABLE TO VIEWERS ON ITS WEBSITES.

IN 2017, THE CONSUMPTION OF MEDIASET CONTENT FROM MOBILE DEVICES (SMARTPHONES + TABLETS) HAS CONFIRMED ITS GROWING TREND.

Internet content Management

The company's multimedia universe is formed by the main channels webs (telecinco.es, cuatro.com, divinity.es, energytv.es, factoriadeficcion.com, bemad.es), Mitele.es (Mediaset's live and on demand TV platform), Radioset.es (Mediaset's online radio website) and Eltiempohoy.es (Mediaset's weather website), Mtrmad.es (website with exclusive online Mediaset content), Yasss.es (web for curious young people) and Mediaset.es (corporate content website). Added to these, are the apps of its top contents (Mitele, Mediaset Sport, Big Brother and The Voice) and the social networks for each channel and each programme or series (Facebook, Twitter and Instagram). All the above is aimed at the user enjoying content anytime, anywhere, and allowing them to participate in content.

In 2017, consumption of Mediaset's content through mobile devices (smartphones + tablets) has confirmed its growing trend, having exceeded 76% of the content consumed through digital platforms. As was the case in the previous year, mobile consumption has increased and so has the consumption of applications, on demand and live TV and connected TV. In particular, in December 2017 Smart TV consumption exceeded 680,00 unique visitors per month, according to Omniture.

Mediaset España's contents are available on demand to the user immediately after the programme or series has been broadcasted on TV and can be consumed at no cost to the user, on the web (PC, mobile and tablets) or through the Mitele app, available on iOS and Android. Additionally, on the webs, users find additional exclusive content that is not found in any other platform, extending the life of the contents.

In this online scenario where there are more and more competitors and where it is necessary to quickly adapt technologically, Mediaset España has carried out a major technological transformation in 2017, so that the design and navigation of all its websites are responsive.

Through Mediaset's own apps, the audience makes important decisions on the most viewed programmes and has the opportunity to generate content, intervening in game shows or initiatives that require their participation by sending answers, or uploading content generated by them such as photos or videos, to web platform spaces that are activated for specific initiatives (user generated content), and are moderated prior to publication. Similarly, users can send their views, complaints, suggestions or questions through various Mediaset contact mailboxes. Thus, through the different platforms, both the company's own webs and external webs, reviews are collected, interacting with users and making their participation in content creation easier.



All Mediaset websites have launched a responsive design and architecture in 2017, which makes them more navigable and accessible from any device. The technological improvements incorporated are focused on achieving optimised loading of the Group's contents. In addition to being effective, content loading is progressive in the new environment, so that users consume mobile data as they demand information, to not overload any device (lower data consumption / lower memory and battery consumption for users). The new design has also made it possible to improve the presence of advertising formats without damaging user navigation.

A TEAM OF PEOPLE, UNDER THE MANAGEMENT OF THE MULTIPLATFORM DEPARTMENT, EVALUATE ALL THE COMMENTS RECEIVED AND RESPONSES TO SURVEYS AND POLLS RELEASED THROUGH THE VARIOUS MEANS ENABLED.

A team of people, under the management of the Multiplatform Department, evaluate all the comments received and responses to surveys and polls released through the various means enabled, they also respond to requests from the audience made via social networks, opinion boxes at the foot of the news items, videos and photos, continuous customer service email or other communication methods used. Depending on the type of comment, the team evaluates the responses received, coordinating with the relevant content producer, or, requests advice from the company's Legal Department. Thus, the company incorporates and takes into account the views and concerns of users and viewers.

To support this work and to help obtain the information required to respond to the audience's requests, Mediaset España receives daily automated alerts containing relevant information about the comments made on the various social networks relating to the contents of the company's channels, the comments are moderated and controlled internally.

Audience Interaction

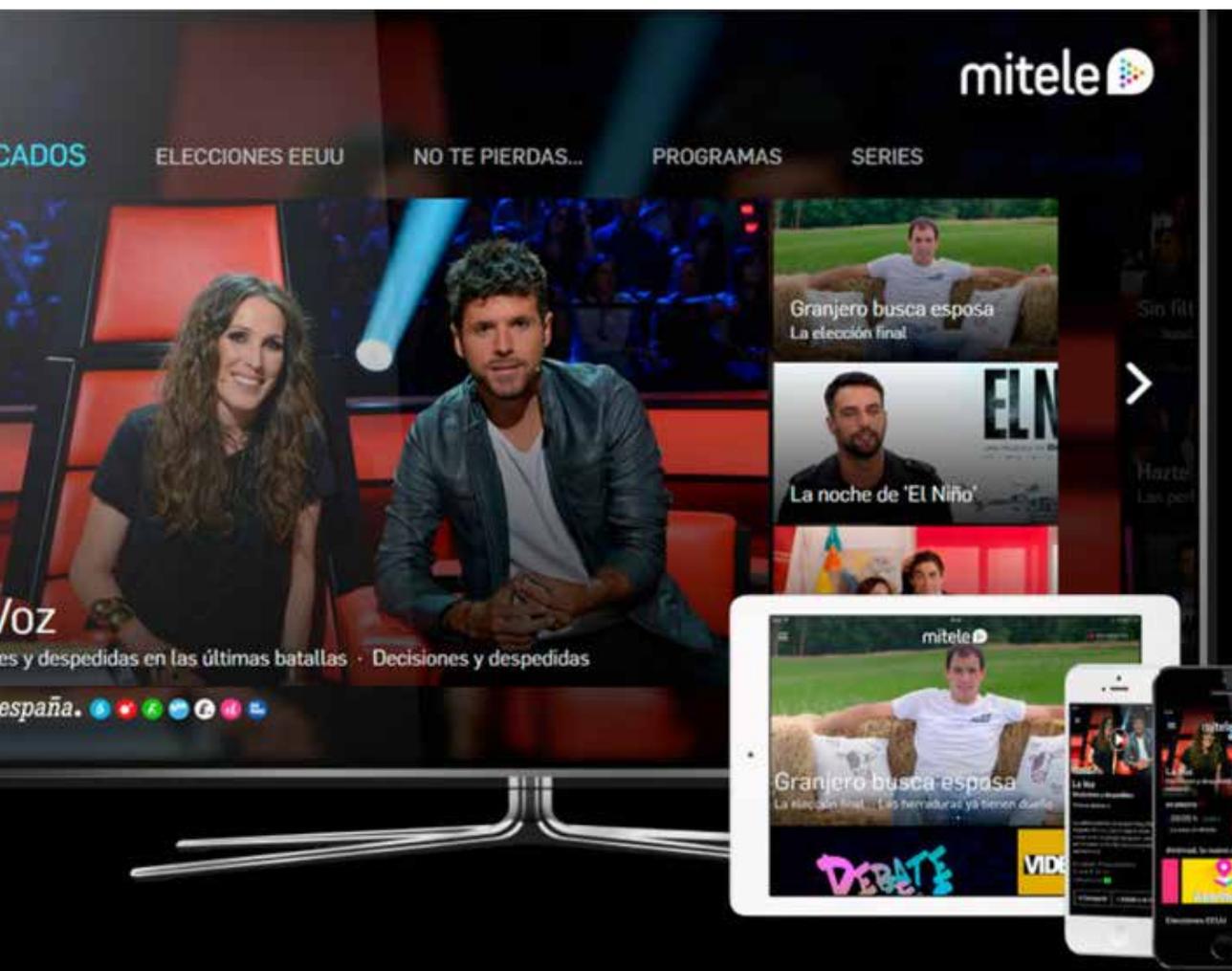
- Webs for each channel.
- Programme Apps.
- Social Network for each channel/programme
- Mediaset España's customer service email
- Surveys, trivia or interactive games (through Playbuzz)



On the one hand, Mediaset España's digital platforms reproduce the content broadcasted by any of the Group's TV channels, so that the mechanisms to ensure the respect of corporate values applicable to content creation are also reproduced. Those responsible for overseeing the web platforms ensure that any subsequent edition by the site's editorial team does not distort the original content.

In turn, they generate exclusive content, not only on the programmes and series that are broadcast on TV, but also on content outside the television, where the controls detailed above come into play. The users that generate content guarantee that they are the legitimate holders of the content's exploitation rights and, therefore, responsible for them, authorising the company to publicly communicate them through the different platforms.

Mediaset España has procedures to control the content flow of the different platforms, to ensure the due exercise of intellectual property rights and technical audits are carried out to review their correct application. Additionally, it has an external content monitoring service on YouTube, through which all content belonging to the Group is tracked and eliminated from this channel.



MEDIASET ESPAÑA USES THE DIGITAL PLATFORMS AS A WAY OF DISTRIBUTION OF ITS AUDIOVISUAL CONTENTS AND AS INTERACTION MECHANISMS WITH THE AUDIENCE.

Mediaset España is on top of the conversations on social networks, with a 24-hour service, not only to maintain the relationship with its users, but also to know what is being discussed about its programmes and series. At the same time, it has a Contact Form in each of the webs, through which the user can send their complaints, claims or suggestions.



The creation of a secure navigation environment for minors is shown in the Parental Control option available on Mitele.es for registered users, on all devices. On the other hand, on the websites with specific contents for children and young people, the advertising that is broadcast is segmented to avoid promoting inappropriate products or services for minors and the content are all in line with these criteria to favour navigation in a safe environment. For example, <http://www.mitele.es/teens> or <http://www.cuatro.com/generacionpro>

Personal data protection of users who interact on Mediaset's websites and apps is guaranteed by the rigorous application of the Corporate Security Policy. The framework of action that provide the guarantee of personal data protection is described in the "Data Protection" section.

Publiespaña carries out the control and supervision of the advertising content published on the company's websites.

CONTENT ACCESSIBILITY IS A FUNDAMENTAL ASPECT OF THE MEDIA'S RESPONSIBILITY

Content accessibility

Content accessibility is a fundamental aspect of the media's responsibility. Therefore, year after year Mediaset España maintains its commitment to making its programmes available to people with visual or hearing impairments, as a means of social and cultural integration for these groups.

In this regard, it broadcasted many series, films and programmes with subtitles, translated into sign language or with audio descriptions.

Subtitled programmes issued by each channel of the Group

CHANNEL	TOTAL 2017
	6,546 hours
	5,586 hours
	5,521 hours
	5,797 hours
	6,163 hours
	6,389 hours
	5,941 Hours
	41,943 Hours

In 2017, Mediaset España's channels have broadcasted 41,000 hours of subtitled programmes, having increased the contents broadcasted through this format by more than 6%, compared to last year.



Number of programmes broadcasted in 2017 by content type and channel

	Total
ANIMATION	73
CINEMA	1,294
GAME SHOWS	42
DATING	5
SPORTS	6
DOCUMENTRIES	7
DOCU-REALITY	145
SPECIALS	13
SPORTS EVENTS	25
SHOWS	5
NEWS	15
MAGAZINES	16
MAKEOVER	2
MUSICALS	10
REALITY-SHOW	22
REPORTS	9
SERIES	130
TALK-SHOW	20
ZAPPING	8

Cinema accounts for almost 70% of the programmes broadcasted by the channel with subtitles.

Hours of content broadcasted with audio description in 2017

	5	6	F.	d.	E.	Boing	BE MAD	Total
ZAPPING	116:08:40	275:58:27	125:18:22	135:45:47	202:11:46		3:56:40	859:19:42
SERIES			668:31:07					668:31:07
DOCU-REALITY		185:02:02					80:55:52	265:57:54
ANIMATION						131:38:23		131:38:23

All of the channels broadcasted content with audio description, reaching more than 1,920 total broadcasted hours in this format, 7% more than last year.

Hours of content broadcasted in sign language in 2017

	5	6	F.	d.	E.	Boing	BE MAD	Total
ZAPPING	116:08:40	275:58:27	125:18:22	135:45:47	202:11:46		3:56:40	859:19:42
DOCU-REALITY		185:35:19					80:55:52	266:31:11
ANIMATION						131:38:23		131:38:23

In 2017, more than 1,256 hours of content translated into sign language have been broadcast, almost 30% more than last year

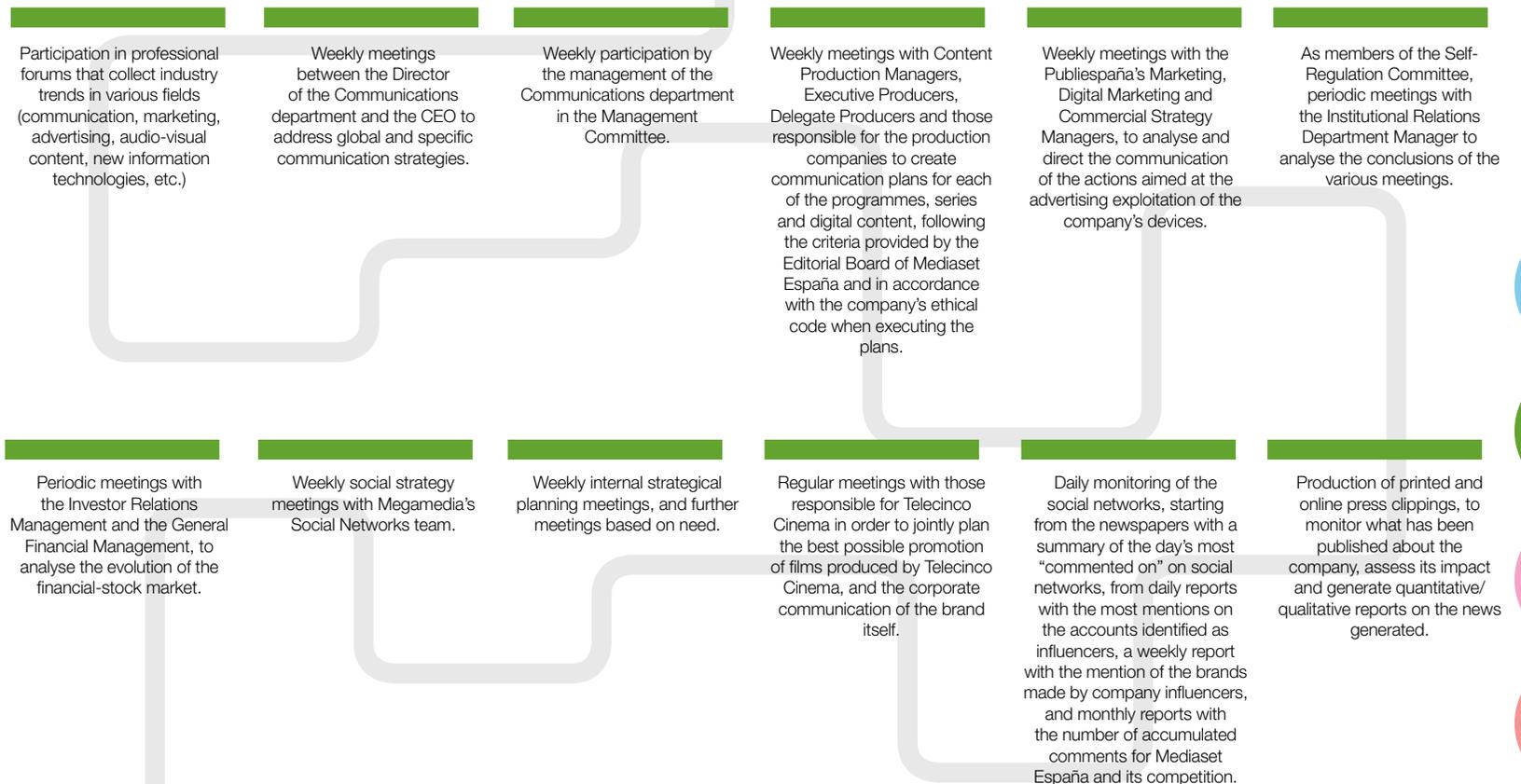
CORPORATE COMMUNICATION MANAGEMENT

The diversity of content on Mediaset España's channels and the company's own business dimension convert its relationship with the media into a strategic task.

The Communications and External Relations Management is responsible for the promotion and dissemination of the company's values and leadership, its strengths and its main activities, as well as safeguarding the corporate reputation. In this sense, it focuses its management on implementing the recommendations from the Deontological Code of the Federation of Journalists, European Journalism Deontological Code and the Association of Directors of Communication's Code of Ethics.

In turn, the performance of its activity is governed by the following criteria; accuracy of information, ethical opinions, transparency and respect for the ideological and publishing guidance of the owners of various media echoing the numerous news articles generated by the company.

Corporate Communication Management Mechanisms



THE INFORMATION GENERATED BY MEDIASET ESPAÑA IN THE MEDIA IS TRACKED, MONITORED, ANALYSED AND DISSEMINATED INTERNALLY THROUGH DAILY CLIPPINGS.

The Communication Department establishes fluid relations with the communication environment from a journalistic and opinion leader's point of view, with daily operations from the Press sub-directorate. Corporate accounts on social networks are two-way channels of communication that allow the company to listen, to know, to inform, to communicate, to interact and to promote news immediately. The interaction of users with corporate accounts gives Mediaset España valuable knowledge of its followers and the possibility of having immediate feedback regarding their tastes and preferences, and to respond to their concerns or requirements, the possibilities of response and develop communication and ad hoc marketing strategies.

The information generated by Mediaset España in the media is tracked, monitored, analysed and disseminated internally through daily clippings. It is estimated that the company generates more than 100,000 impacts per year in the media, which places it among the Spanish companies that generate more information in the media, according to MyNews. Such visibility and exposure require continuous monitoring to safeguard the corporate reputation.

Participation with specific agents of the media sector

ICMEDIA (Consumer Associations and Media Users Federation)
 OCTA (Television and Audio-visual Contents Observatory)
 Self-regulation Committee on Television and Infant Contents
 UTECA (Associated Commercial Television Union)
 EBU (European Broadcasting Union).
 ECTA (European Competitive Telecommunications Association)
 Marca España



All the work carried out by the Press Office is published on the free access website Mediaset.es/Mediasetcom, a microsite which released a responsive design in 2017, where the content is updated daily based on the press releases sent, dossiers, photographic and audio-visual material and in general, all relevant information on the contents, the activity of the companies, social campaigns and corporate and institutional company news.

In addition to this web, the Press sub-directorate has an external distribution platform of content of the various medias. A tool which offers professionals, for a subscription, with prior visualisation, all materials to download in different formats and qualities, all with a responsive system adapted to the viewing and download from any device, PC, MAC, Mobile and tablet, both Android and IOS.

In addition, in 2017 the company developed an app for internal use for Mediaset España's managers, employees and presenters, with all the official information on the company, meeting calls, press summaries, promotional videos, link to the main corporate sites and a photo gallery downloadable, among other contents, to keep all the users informed through their mobile devices on a daily basis.

The management of the Mediaset.es website's contents, the company's presentation window, also depends on the Communication Department since 2017. Users access the most relevant information generated by the different divisions of the company from this online page - financial results, audiences -, as well as the Press Room or the Employment Portal.

On the other hand, the Online Medias Sub-directorate has created the website Telemania.es, a portal that gathers the news on the media sector, paying special attention to the audio-visual business. The web offers professionals and other users complete information about television audiences, as well as the most relevant news and analysis about communication. In 2017, Telemania.es has completed its responsive redesign to facilitate access to the web through all types of devices.

ALL THE CAMPAIGNS ARE PLANNED ON ALL MEDIASET ESPAÑA'S CHANNELS, INCLUDING BOING, PROVIDED THAT THE TOPIC IS SUITABLE FOR THE CHANNEL'S TARGET.

The Corporate Image Sub-directorate develops all the elements of visual identity of both channels and institutional products (merchandising, institutional gifts, elements of corporate stationery, etc.). This sub-directorate department designs, produces and coordinates brand marketing initiatives in cooperation with Publiespaña to strengthen customer loyalty through special actions that link the values associated with Mediaset España to its channels and its products with advertisers. All the external relations actions of the company, among which the premieres of the films produced by Telecinco Cinema stand out, also depend on this sub-directorate department. For these events a global strategy is developed, coordinated with the General Content Management and the Cinema Division, resulting in the creation of unique events in which innovation and magnificence are essential parts.

In turn, the Corporate Image Sub-directorate designs the strategy for the "12 Meses" initiative and develops all the materials that are part of each social awareness initiative and produces all their elements. All campaigns are framed within the Sustainable Development Goals of the UN (ODS) and are based on universal criteria with the objective of generating social debate to promote changes. This sub-directorate also develops the contents of www.12meses.es and coordinates the company's social communication through 12 Meses social networks. All the campaigns are planned on all Mediaset España's channels, including Boing, provided that the topic is suitable for the channel's target. When this is the case, the communication is specifically adapted for this public, complying with all the minor protection guarantees. In order to maximise the message of "12 Meses", meetings with the Antenna Division, the Content Production Division, the News Division and the Multiplatform Directorate are held in order to establish communication guidelines, prior to launch, taking into account the idiosyncrasy of each of Mediaset España's programmes and channels.

@Mediasetcom



130,586 FOLLOWERS



146,271 FOLLOWERS



99,615 FOLLOWERS

@Telemania



7,354 FOLLOWERS



3,387 FOLLOWERS

@12_meses



15,642 FOLLOWERS



28,557 FOLLOWERS



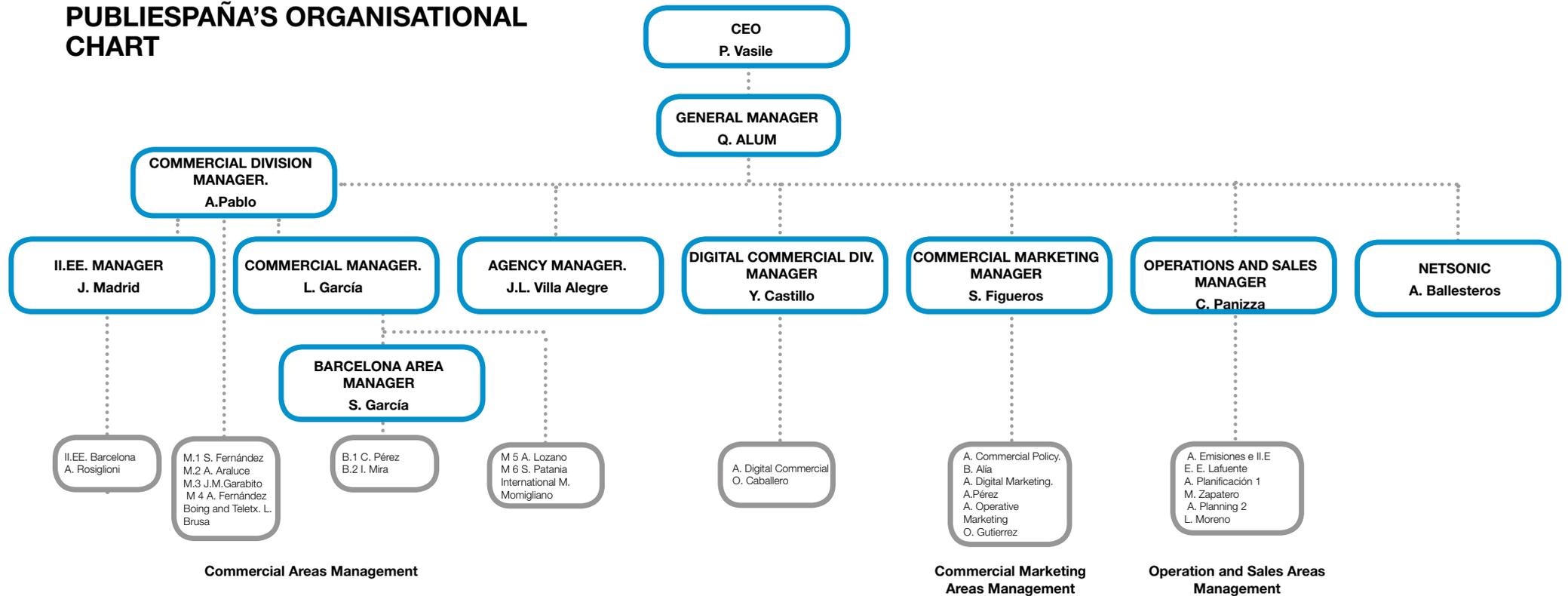
5,052 FOLLOWERS



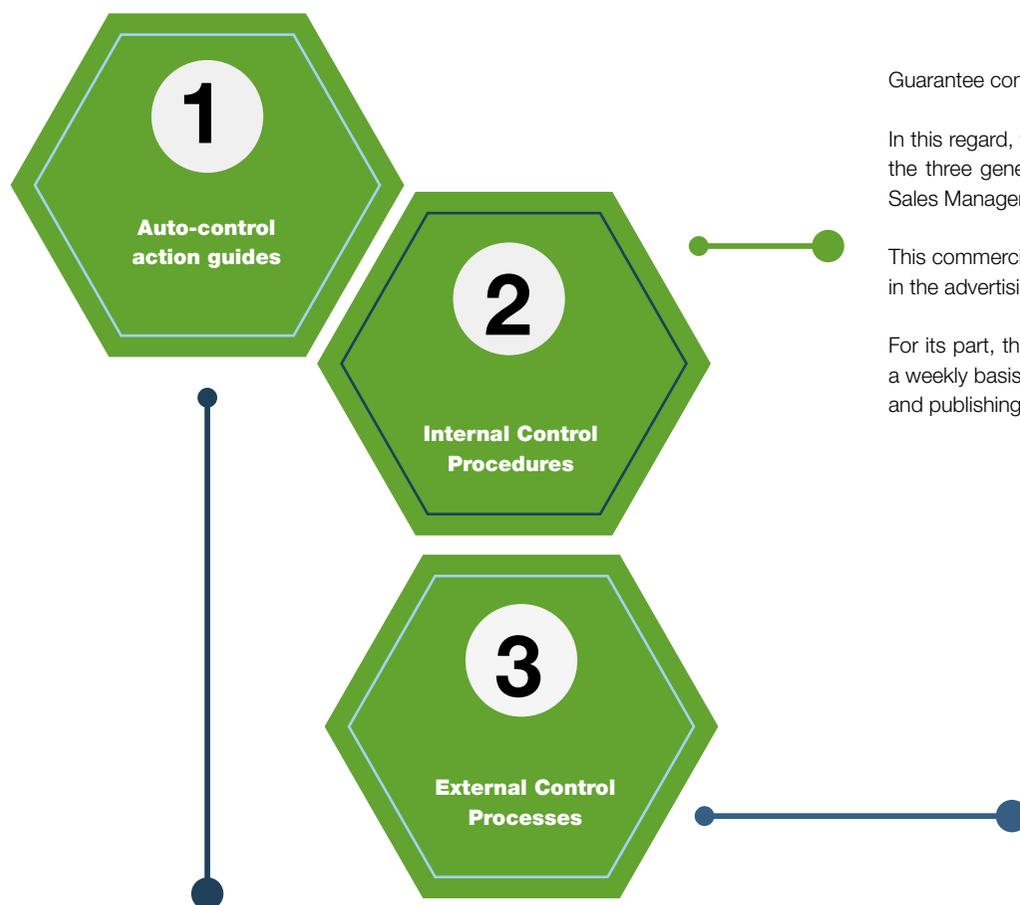
ADVERTISING MANAGEMENT

Mediaset España considers that the responsible broadcasting and management of advertising, a fundamental element of the business, is essential for its sustainability, and therefore has implemented management mechanisms and specific controls designed to ensure its achievement. The advertising activity of the Group is carried out through Publiespaña, and falls within the strict compliance of current legislation, the monitoring of action guidelines defined by the Self-regulation of Commercial Communication Association (hereinafter, Auto-control), which the company has adhered to since its beginnings in 1995, and the application of solid internal control mechanisms.

PUBLIESPAÑA'S ORGANISATIONAL CHART



Control mechanisms



Regulate television content for children, food adverts aimed at children, obesity prevention and health, environmental messages in commercial communications, advertising toys to children, promotion of medicines, e-commerce and interactive advertising, alcoholic drinks, premium rate services and many other areas.

Guarantee compliance with both current legislation and the codes issued by Auto-control.

In this regard, the company designs a quarterly commercial policy that is reviewed and revised on a weekly basis by the three general management teams that oversee its implementation, (Commercial Management, Marketing and Sales Management and New Commercial Products Management).

This commercial policy is defined by taking into account the broadcast inventory capacity, client's needs, and trends in the advertising market, the legal framework and the recommended good practices.

For its part, the company's Management Committee, composed of the CEO and the General Managers, meets on a weekly basis to coordinate, along with other matters, all initiatives and possible synergies between the commercial and publishing areas.

Ensure the exercise of responsible work by the voluntary submission of advertising to an independent control by Auto-control.

The content control process by Auto-control may arise both prior to the broadcast of advertising content, and after, should any disputes arise or claims get presented.

Prior to the broadcast, when Publiespaña detects that one of the ads requested by a client may violate current legislation or content and advertising self-regulatory codes to which Mediaset España adheres to, it requests a preliminary report on its ethical and legal correction from the Auto-control Technical Office (Copy Advice). The opinion issued by Auto-control is accepted by the company and, if it recommends not broadcasting a piece of advertising, then the advertising campaign is suspended.



For more information about regulated matters, click here http://www.autocontrol.es/que_codigos.shtml

To ensure compliance with applicable regulations, Publiespaña is constantly adapting to new legislation which affects their activity. In 2017, among the main regulatory changes that may have an impact on the advertising business there is the Royal Decree Law 17/2017, of November 17, on health measures against smoking and regulating the sale, supply, consumption and the advertising of tobacco products. This Royal Decree equates the advertising of electronic cigarettes and their recharging devices to that of tobacco and, therefore, prohibits it.

To ensure the proper application of the Auto-control Guidelines in 2017 Publiespaña has requested 1,411 prior consultations (Copy Advice) from the Auto-control Technical Office in relation to advertising pieces, prior to their broadcast, whether in the story phase, or final creative versions, to reflect what the final piece will include before recording. These prior consultations are conducted in order to identify the existence of any element that must be modified according to the AUTO-CONTROL regulations in order to make the necessary changes before the final completion of the advertising piece. In these prior consultations, a report on a particular piece of advertising is requested.

Moreover, Publiespaña has conducted 124 legal consultations to the Technical Office, prior to the completion of an advertising spot. The issues raised in the most significant consultations have been food and drinks, health, leisure, culture, games, time off and sport.

1,411
CONSULTATIONS

1,033

NO PROBLEMS WITH THE AD CONTENT

308

MODIFICATIONS TO THE AD ARE RECOMMENDED

70

BROADCASTING OF THE AD IS NOT RECOMMENDED

STAFF MANAGEMENT

THE MEDIASET ESPAÑA GROUP GUARANTEES THE MAINTENANCE OF AN AFFABLE WORK ENVIRONMENT, ADVANTAGEOUS FOR THE WORKFORCE AND STABILISING FOR THE BUSINESS.

One of the pillars of Mediaset España's leadership is the talent of its professionals. For this reason, one of the priorities for Human Resources Management is an adequate Employer Branding policy to attract external talent and engage in-house talent. This is complemented by the strong relationship with the main training institutes in Spain, aiming to ensure the influx of young people carrying out internships in the Group's companies and who constitute the base of youngsters for covering any occasional need and replacement of long-term staff.

In turn, the Collective Agreements in force in the Group's companies guarantee the maintenance of an affable work environment, advantageous for the workforce and stabilising for the business.

Likewise, reconciliation measures and fringe benefits for the workforce, together with the implementation of a complete Equality Plan, generate satisfaction, stability and near parity in the staff. Additionally, training sessions allow the staff to develop their potential and guarantees their suitability to the business needs at all times.

Employer Branding

With the Employer Branding (EB) strategy, the company seeks to identify Mediaset España's image as an Employer Brand to attract new external talent and enhance the sense of belonging and the commitment of the current staff.

In recent years, the Group has grown and generated the need for new professional profiles, the company has promoted measures aimed at reaching this goal such as, a meticulous Trainees and Work Experience Students Policy, the re-edition year on year of the Master's in Creation and Management of Audio-visual Content, the active participation in external events attracting a large number of young professionals, the appointment of an internal Head of EB management, the distribution of the project on Social Networks, or the creation of a Career Site, with a higher visibility of the "Work with us" section and inserting testimonial videos of the Group's staff targeted at potential candidates.

Collective Bargaining

Collective bargaining is widely recognised and guaranteed in the Group's companies. The Collective Agreements applicable in the different companies of the Group respect and apply the legal provisions and conventional frameworks within the sectors applicable to the different companies of the Group, depending on their activity. The Joint Committee for the interpretation of the Collective Agreement is the joint body created to resolve employment disputes arising from the interpretation and application of the Collective Agreement.

The Human Resource Department, in coordination with the directors of the various areas of the Group companies, is responsible for ensuring compliance with the legislation applicable to each of the companies.

The Collective Agreements covering each Group company cover both permanent and temporary employees hired directly by Mediaset España. Employees hired by temporary employment agencies are covered by the Collective Agreement pertinent to this area and the provisions that are legally applicable to them under the Agreement covering the company that employs them.

Binding Collective Agreements

Mediaset España	XI Mediaset España's Collective Agreement. In force 2014-2017. Denounced by the workers on 5/10/2017, and the Bargaining Table was established on 10/24/2017.
Publiespaña	Advertising Sector's Collective Agreement. In force 2015-2016. Currently denounced.
Telecinco cinema	Madrid's Regional Collective Agreement for Office Workers (in force 2013-2017), however, employees will benefit from any improvements provided for in the Mediaset España Collective Agreement in force at the time.
Conecta 5	Madrid Regional Collective Agreement for Office Workers. In force 2013-2017
Netsonic	Advertising Sector's Collective Agreement. In force 2015-2016. Currently denounced.



In Mediaset España's Collective Agreement certain specific provisions are laid down with regard to notice periods, among which the following can be found:

Notice by employee of voluntary redundancy.	→	Minimum 15 days.
Request by employee for voluntary leave of absence and notification of subsequent re-admittance.	→	Minimum 45 days.
Setting the holiday schedule by agreement between the Workers' Committee and Company management.	→	During the first quarter of the year.
Trial periods for new employees	→	The duration of trial periods depends on salary levels: 6 months for qualified skilled staff, 3 months for others and 15 days for unskilled staff.
Notification to Workers' Committee of the procedure established for internal recruitment to cover newly created posts.	→	Minimum two working days before date of internal announcement.
Deadline for candidates to apply for internal posts.	→	Minimum 5 days.
Application of penalties, serious and severe misconduct.	→	Compulsory prior notification of disciplinary proceedings to the interested party and to employees' representatives.
Shift planning.	→	At least one month's advance notice, with interested parties being notified at least 2 weeks in advance.
Timetable scheduling (mainly affecting employees assigned to sets, studios, production and acting services).	→	Timetable changes should usually be reported to the employee at least 12 hours prior to the commencement of the working day.
Proposed special working hours during summer, Easter and Christmas to be notified by the Managers of each department	→	20 days prior to the start date.
25 hours of paid time off.	→	Following prior notice to the employee's immediate superior and supporting evidence for time involved.
Application for reduced working hours (legal guardian) start and end date.	→	Minimum of 15 days.
Period of prior notice for the termination of the Collective Agreement	→	2 months before it or any of its clauses expires. Otherwise, it will be understood to be tacitly renewed.

For its part, the Advertising Sector's Collective Agreement and Madrid's Regional Collective Agreement for Office Workers also stipulate specifications regarding the notice period, among which the following can be found:

		Madrid's Regional Collective Agreement for Office Workers	Advertising Sector's Collective Agreement
Communication of voluntary termination	→	Without notice	Directors, Head of Department and Technical Staff: 1 month. Administrative Staff: 15 days. Support and non-qualified staff: 1 week.
Voluntary Leave	→	Without notice	Re-entry request shall be made within the period of leave.
Mandatory leave	→	Without notice	Re-entry request shall be made in the month following the termination.
Leave without pay	→	Without notice	Minimum 15 days
Holidays	→	Preparation of the calendar during the month of January.	2 months in advance.
Probationary Period	→	Graduated Staff: 6 months. Non-qualified staff: 1 month. Other staff: 2 months.	Directors, Heads of Department and Technical Staff: 6 months. Administrative Staff: 2 months. Support and non-qualified staff: 1 month.
Serious and severe misconduct	→	Initiate contradictory proceedings only for legal representative or union representative	Previous to enforcement, communication to the worker and legal representatives

International Labour Organisation (ILO) Conventions

In the Group's companies, the different fundamental ILO conventions ratified by Spain are implemented, through the respectful application of the legislative, conventional and regulatory norms of application.

- **Conventions concerning freedom of association and protection of the right to organise.** Mediaset España has a Company Committee and Union Delegates with a presence in this Committee, being elected by the union elections that are held at the initiative of one of the unions that are part of the committee, every four years.
- **Right to organise and collective bargaining Convention.** Mediaset España has its own collective agreement, the result of collective bargaining with the legal representation of workers.
- **Forced labour Convention.** Mediaset España guarantees the non-existence of forced labour through the application of internal procedures and regulations, the Code of Ethics, application of collective agreements and strict compliance with current legislation.
- **Abolition of forced labour Convention.**
- **Minimum age Convention.** Mediaset España respects the current legislation, prohibiting work for minors, except in artistic activities. In the Group's companies, and in those cases in which the participation of minors in artistic activities exist, their corresponding authorisation to participate in public shows is processed and the criteria and procedures established by the Employment and Women's Counselling of Madrid are strictly followed. Also, special measures necessary for their protection in matters of health and safety, as well as the appropriate training processes, are adopted.
- **Worst forms of child labour Convention.**
- **Equal remuneration Convention.** In the companies of the Group there are equality plans that include the performance of remuneration studies that, to date, have not shown situations that could be considered discriminatory or constitutive of an inequality in the workplace due to sex.
- **Discrimination (employment and occupation) Convention.** Mediaset España has procedures and bodies that ensure the correct compliance and application of standards. Among others, the Code of Ethics, the Complaints Channel, the Equality Plans, the Equality Committee and the Equality Agent, Procedure for the Management of Psychosocial Risk and Harassment, the Health and Safety Committee or the Joint Prevention Service ("Servicio de Prevención Mancomunado" or SPM).

The company manages the minimum notice periods which affect workers and the pertinent procedures relevant to organisational changes according to the strict compliance with time limits for each employment area in the workplace, either in the Workers Statute, in the current Collective Agreements in force or any other law that is applicable. As these notice periods are laid down by law or contained in Collective Agreements, they are guaranteed through the implementation of the legislation or the agreement concerned.

On the other hand, both the exercise of freedom of association and freedom of union association are fundamental rights that have been recognised and respected by the company, and this is shown in the unitary and union representation of the workforce, exercised through the Company's Committee.

Equal opportunities, non-discrimination and zero tolerance towards harassment

The various companies that make up the Group have specific measures in place to ensure the commitment assumed by the Group with respect to equal opportunities and non-discrimination. In this respect, the Code of Ethics, Equality Plans, Collective Agreements and measures to eliminate and prevent harassment in the work place make up the robust framework for action that supports and reinforces the effective implementation of the commitment in this area.

Mediaset España's Code of Ethics:

guarantees the principle of equal of opportunities and non-discrimination in all situations, especially in all matters concerning access to employment, working conditions, training and professional development and promotion.



Equality Committee:

is constituted by an equal number of company representatives and worker representatives. Its mission is to ensure the implementation and supervision of the Equality Plans in force at any time.



Equality plans:

the main objective is to ensure respect for equal treatment and opportunities between men and women in all areas of work and preventing any discriminatory situations in the work place. The plans contain self-evaluation and monitoring measures which guarantee that both company management and the Equality Committee, if necessary, will ensure their proper application and fulfilment, and will analyse the degree of achievement of the objectives set.

Equality Agent:

carries out a specific function to provide support and guidance regarding the measures laid down in the Equality Plans, as well as follow-up work and information on the degree of implementation of the said Plans.

WITH REGARD TO REMUNERATION, MEDIASET ESPAÑA GUARANTEES EQUAL TREATMENT FOR ALL EMPLOYEES ON THE BASIS OF THEIR EMPLOYMENT CATEGORY.

Both equality and non-discrimination plans and procedures are distributed to all staff via internal communication channels, mainly through informational circulars, corporate intranet and the Employee Portal, where there is a specific section on “Equality” where the entire contents of all Equality Plans and Procedures for the Management of Psychosocial Risks and situations of harassment in the workplace are published.

The procedure for the management of psychosocial risks and bullying situations within the work environment addresses the following issues:

- Business declaration on principles of equality and non-discrimination.
- Preventive measures directed at taking action at the origin of the risk.
- Development of specific intervention procedures.
- Monitoring the implemented actions.



With regard to remuneration, Mediaset España guarantees equal treatment for all employees on the basis of their employment category. In this respect, the Collective Agreements applicable to Group companies officially contain the salary tables for each professional category and set out the applicable remuneration regime, irrespective of gender, indicating salary supplements and terms and conditions. Therefore, there is an equal allocation of base salary between men and women while salary supplements are assigned to the corresponding employee categories under Collective Agreement provisions, regardless of gender or any other personal features.

Exceptionally, some workers have an “ad-personam” supplement assigned to them, which is due to their personal circumstances or to the position of trust in the post they hold, this supplement being negotiated without regard to the gender of the person in question.

The HR Management prepares an annual remuneration report which is given to the Employee Representatives.

Mediaset España declares zero tolerance towards any behaviour that may be considered abusive, humiliating, offensive or that may be described as bullying, both physical and psychological, specifically on the basis of race, colour, gender, religion, ethnic origin, nationality, age, personal situation, sexual orientation, disability, physical condition or any other conduct prohibited by Law.

Mediaset España’s Code of Ethics refers to this policy as applicable and compulsory for all staff, directors, Members of the Board of Directors and subsidiaries. It entered into force on 1st January 2012 and has been revised and amended on 22nd December 2016. In turn, the Procedure for the Management of Psychosocial Risks and situations of Harassment in the workplace establishes the management framework for the effective application of the zero-tolerance commitment to workplace harassment.

THE COMPANY ANNUALLY REINFORCES ITS COMMITMENT TO FRINGE BENEFITS AND LIFE-WORK BALANCE MEASURES OFFERED TO THE WORK FORCE, CONTAINED IN COLLECTIVE AGREEMENTS AND EQUALITY PLANS APPLICABLE TO EACH GROUP COMPANY.



For more information about fringe benefits and the work-life balance measures available, click here.

Fringe benefits and life-work balance measures

The company annually reinforces its commitment to fringe benefits and life-work balance measures offered to the work force, contained in Collective Agreements and Equality Plans applicable to each Group company. The same benefits are offered to the entire work force, regardless of their working hours or work contract.

Only in the case of certain gifts from the company which are not included in the Agreement, such as the hamper or Christmas toys, all workers, permanent or temporary are required to comply with certain conditions, such as, both the provision of services and, being employed at the time that the gift is given and, temporary workers must have complied with the minimum period of work accumulated in the corresponding calendar year.



Training

Staff training is essential to achieving the maximum development of skills and talent required to maintain the company leadership.

The Sub-directorate of Human Resources prepares a training plan, based on the guidelines set by the Management of the company each year and the demands generated by the evolution of jobs. Once the Plan is approved by the Management, it is planned, and the programmes are set in motion. At the end of the first half of the year, the Plan is revised in order to correct deviations or include further programmes.

When defining the training catalogue, they take into consideration, on the one hand, the obligatory training which employees must carry out, both globally for all staff and for specific groups, such as training in Occupational Health and Safety, Money Laundering Prevention, tax and accounting update, among others. And secondly, they review the needs that were not covered during the previous year, and those that have been identified through meetings with managers of the Group.

From the employee portal, the workforce can access the catalogue of existing training programmes and request any programme they deem necessary for the performance of their job. Applications for training are validated by the Human Resources Division, who evaluates the relevance of the requested course to the current or future activity of the applicant.

In order to guarantee training quality and continuous improvement, employee satisfaction is measured at the end of training programmes using questionnaires. Evaluations, tests and follow-ups are performed to check that the employees make the most of their training and meetings are held with the heads of the relevant departments to detect future training needs within their teams.



For more information on the Audio-visual Media Professorship, click on the following link: <http://catedramediosaudiovisuales.es/>



Mediaset España's contribution to knowledge creation in the audio-visual sector materialises through the Master's Degree in Content Creation and Management, launched in 2009 jointly with the Universidad Europea de Madrid. The training meets the requirements and current needs of the audio-visual sector and given the wide experience of the faculty and the practical approach of the methodology used in classes, it allows the professional to progress in this sector thanks to the high-level qualification gained on completion of the course.

At the same time, the Professorship Mediaset-UEM (Universidad Europea de Madrid), created in 2013, has the task of generating collaboration synergies, channel training activities and undertaking research projects, between the two organisations in favour of developing the audio-visual business.

The Collaboration Agreements with State and Private Universities, and also with Business Schools, to provide internships for their students in the company, encourage students to acquire technical and human skills that qualify them to enter the employment market, at the same time that they build bridges for the creation of a future pool of new professionals that the company can access in the future to meet their needs for new talent.

THE HEALTH AND SAFETY COMMITTEE IS THE BODY RESPONSIBLE FOR HOLDING REGULAR CONSULTATIONS ON THE COMPANY'S RISK PREVENTION PERFORMANCE.



Activities regarding the team management are set out in the “Business Model- Team Management” section of this document. For more information click here.

Performance evaluation

The Performance Evaluation System allows for the systematic, detailed analysis of activities and responsibilities undertaken throughout the year, while defining future actions for the development of work teams.

The process is carried out through a specific tool available in the Employee Portal, which enables the evaluation process to be completed more quickly and increases the reliability of historical data. In addition, the results are completely transparent. The results of the assessments are taken into account in the decisions regarding the professional development of employees and on the identification of training needs.

Occupational risk prevention

At Mediaset España, Health and Safety at Work is regulated and guaranteed through the Occupational Risk Prevention Plan. The Plan is prepared by the Mediaset Group Joint Prevention Service (“Servicio de Prevención Mancomunado” or SPM) with the participation of the Health and Safety committee and is approved by the Human Resources and Services Management and presented to Risk Officers.

Mediaset España's Collective Agreement establishes provisions on health and safety. In Chapter XI Health and Safety at Work, it includes matters such as the provision of an annual medical examination for employees and among others, the right to be informed of medical examinations to be carried out.

The Occupational Risk Prevention Plan ensures company's compliance with the provisions of the Occupational Risk Prevention Law and the requirements laid down in the OHSAS 18.001 vocational risk prevention standard, as well as fulfilling the requirements of Spain's increasingly strict legislation and encouraging good health and safety practices among employees.

Based on the objectives set in the Prevention Plan, each year the SPM prepares an annual Preventive Activity Plan which lays down the programmes and activities to be carried out during the year in order to achieve the Plan's objectives. This plan is delivered to the Risk Officers at the start of the year and is revised on a quarterly basis by the Health and Safety Committee

Furthermore, the SPM conducts activities not initially anticipated in the Annual Preventive Activity Plan, but which prove to be necessary due to regulatory modifications, changes in the activities or for other reasons arising from the nature of the business.

The company also has a Procedures Manual that addresses various aspects of Health and Safety at Work, from business activity coordination to the acquisition and purchase of products, the effective incorporation of new regulatory requirements related to the evaluation of the hazards of optical radiation exposure, and other issues.

The Health and Safety Committee is the body responsible for holding regular consultations on the company's risk prevention performance. Within its remit is the involvement in the preparation, application and evaluation of risk prevention plans and programmes within the Company and the promotion of initiatives concerning methods and procedures for the effective prevention of risks, proposing to the Company management improvements in conditions or corrections to existing weaknesses.

This committee has 10 participants, including the Risk Officers (employee representatives elected to this role) and representatives of the company. All Mediaset España's personnel are represented on this committee. The other Group companies do not have a committee of this kind as there is no workers' legal representative. However, the adequate protection of health and safety at work of all employees of the Group's companies is guaranteed through the SPM, which is responsible for carrying out prevention tasks in this area.

The Committee holds ordinary meetings at least quarterly. Extraordinary meetings may also be called at the request of any representative or when required by a serious contingency such as a serious accident at work or situations involving imminent risk for employees that could require work to be temporarily suspended.

SHAREHOLDER AND INVESTOR RELATIONS MANAGEMENT

THE COMPANY RIGOROUSLY FOLLOWS THE CRITERIA ESTABLISHED FOR LISTED COMPANIES BY THE REGULATOR, WHICH, IN THIS AREA IS THE NATIONAL STOCK MARKET COMMISSION (CNMV)

The Investor Relations Management and the Shareholder Office of Mediaset España play an important role in maintaining a smooth relationship, with both institutional and individual investors. At the same time, there are continuous communication channels with stock analysts and with the main players in the international markets.

Aiming to distribute corporate information without misinformation or asymmetry between shareholders or potential investors, the company follows the criteria established for listed companies by the regulating body, which, in this area is the National Stock Market Commission (CNMV), as well as Mediaset España's Code of Ethics and the best market practices in terms of communication and relation with investors.

In this way, Mediaset España provides quarterly reports on the results remitted to the CNMV, it publishes these reports on its corporate web site- www.mediaset.es/inversores/en-, both in Spanish and English, and informs every investor and analyst that have so requested via e-mail. On the other hand, within the framework of the events held for the results presentations, the company offers the possibility of following these meetings in real time by means of conference calls and web casts. These events offer the interest groups the opportunity to interact and pose any question that they may consider significant. This informative event is recorded and stored, and is available via Mediaset España's web until the next event.

To complement the periodical activities of publishing the quarterly and yearly results mentioned above, throughout the year Mediaset España has communicated, by way of the procedure for communicating any relevant facts to CNMV, the most relevant aspects that have affected the market price and that the shareholder or investor needs to know. At the same time, within the framework of its Shareholder Communication Policy, the company holds conferences, roadshows and meetings with all investors interested in maintaining direct contact with the company.



STAKEHOLDER RELATIONS



Mediaset España considers its main stakeholders to be those people or organisations that make its business activity possible or are affected by it; and thus, they integrate them into their management through various channels of information, communication and interaction with the company.

Through their roadshows, and the channels established by the Investor Relations department and the Shareholder Office, they gather the shareholders and investment community's concerns; through audience measurements it gauges the suitability of the content offered; through the forums and blogs on its web pages it maintains contact with the audiences; with the email rc@telecinco.es the company communicates with all those interested in the responsible management of the audio-visual business, as well as those seeking the company's cooperation with academic assignments related to social responsibility; and it channels interaction with advertisers through media agencies.

All information relevant to the workforce is notified via the Employee Portal and the corporate intranet, as well as by the Committees which collect the employees concerns and requirements.

The Company is in continuous contact with suppliers through regular meetings and direct contact with each purchasing agent. Suppliers also have an email address where then can discuss any concerns or needs that may arise.

The Company's active involvement in major media associations such as the "Unión de Televisiones Comerciales Asociadas" (Associated Commercial Television Union or UTECA) and the Association of Commercial Television in Europe (ACT) allows it to intervene in the development of those initiatives which regulate the sector at a national, Community and international level. It also maintains regular contact with the competent administrations in the audio-visual sector.

The main stakeholders identified by Mediaset España and the established communication channels to interact with each of them are listed below:

THE MAIN STAKEHOLDERS ARE THOSE GROUPS THAT MAKE ITS BUSINESSES' ACTIVITY POSSIBLE OR ARE AFFECTED BY IT; AND THUS, THE COMPANY INTEGRATES THEM INTO THEIR MANAGEMENT THROUGH VARIOUS CHANNELS OF INFORMATION, COMMUNICATION AND INTERACTION.

COMMUNICATION CHANNELS



EMPLOYEES

- Corporate Intranet
- Employee Portal
- Notice boards
- Health and Safety Committees
- Workers' Committees and Trade Union representatives
- Equality Agent
- HR Department



ARTIST AND PROFESSIONALS OF THE SECTOR

- Artistic Hiring Dept.
- Special Production Division



SHAREHOLDERS AND INVESTORS

- Annual Reports
- General Shareholders Meeting
- Roadshows
- Working breakfasts
- Presentation of quarterly results
- Meetings and conference calls
- Webcast
- Shareholders Office:
Phone: 91 358 87 17
- Investor Relations Area
Phone: 91 396 67 83
- E-mail: inversores@mediaset.es
- <https://seguro.mediaset.es/contacta.html>



ADVERTISERS

- Publiespaña Sales and Marketing Management
Telephone: 91 395 90 00
- www.publiesp.es
- Association for the Self-Regulation of Commercial Communication (AUTOCONTROL)
- Media Agencies



AUDIENCE

- www.mediaset.es
- Programme web sites
- blogs, digital events, forums and opinion surveys



SUPPLIERS

- Purchasing and General Services Management.
- www.publiesp.es
- Restricted access web site for suppliers
- E-mail: comprasyservicios@telecinco.es



TRADE UNIONS

- Notice boards
- Digital board on the Corporate Intranet
- Worker's Committee
- Social Networks and blogs



COMPETITION

- Associated Commercial Television Union (UTECA)
- European Association of Commercial Television (ACT)
- Joint Commission for the Monitoring of the Self-Regulation Code



PUBLIC ADMINISTRATION

- Advisory Committee for Telecommunications and the Information Society (CATSI)
- National Stock- Market Commission (CNMV)
- National Stock Markets and Competition Commission (CNMC)
- Secretary of State for Information Society and Digital Agenda (Ministry of Energy, Tourism and Digital Agenda)
- Directorate General for the Regulation of Gaming (Ministry of Economy and Public Function)
- Ministry of Culture
- Spanish Protection Data Agency (AEPD)



COMMUNITY

- Social Organisations: Corporate Responsibility Management
E-mail: rc@telecinco.es
- Employment Portal
<http://www.rrhempleo.telecinco.es/>
- Exercise of ARCO rights
E-mail: arco@mediaset.es
- Communication Division
E-mail: mediasetcom@mediaset.es
- Corporate Responsibility
E-mail: rc@telecinco.es

PARTICIPATION IN PUBLIC POLICY DEVELOPMENT

IN 2017, THE INTERNAL PROCEDURES RELATED TO ADVERTISING AND TELEVISED SELF-PROMOTION ESTABLISHED IN ORDER TO COMPLY WITH THE CNMC'S INTERPRETATIVE CRITERIA ON ADVERTISING, CONTINUED BEING APPLIED.

Through its Institutional Relations Area, Mediaset España promotes and ensures the representation of their legitimate interests before the Public Authorities in general, and, particularly before parliaments and governments at a national and European level.

These activities are governed by the provisions of the company's Code of Ethics and are focused on assuring that Mediaset España's legitimate interests are represented before the Spanish Competition and Markets Authority (CNMC), the General Directorate for the Regulation of Gambling, the President's Office and Ministries (Ministry of Culture, Ministry of Industry and Ministry of Economy and Competition), the Institute of Film and Audio-Visual Arts, the Spanish Parliament and Senate, and the European Commission, among other public entities.

Membership of leading media industry associations such as the Union of Associated Commercial Televisions (UTECA) and the Association of Commercial Television in Europe (ACT) allows the company to defend and represent the common interests of commercial television organisations in Spain, the EU and internationally.

Contribution to the evolution of cinema

Mediaset España annually contributes 5% of its income to the financing of European films and series and reserves more than half of its annual broadcasting time to European works, in accordance with the provisions of article 5 of the General Audio-visual Communication Law 7/2010.

Contribution to the financing of public television

Mediaset España, as a free to air television operator in Spain, contributes annually to the financing of the RTVE Corporation, as established by Law 8/2009, on financing the Spanish Radio and Television Corporation.

Main objectives of the activity:

- Application of the General Audio-visual Communication Law and its regulatory development, with special emphasis on strengthening the protection of minors and the correct implementation of the provisions applicable to television advertising.
- Within the scope of self-regulation, the application of a new "age rating system for audio-visual products", to which the free to air TV operators have subscribed in 2015, under CNMC supervision. This rating system was launched with the intention of establishing a more objective and systemised framework for rating content, and as an instrument that provides information to guardians, children themselves and society as a whole, about potentially harmful content that a particular audio-visual programme may have.
- Application of gambling regulations to the TV contests. Mediaset España was involved as a member of the Responsible Gambling Advisory Board, formed by the General Directorate for the Regulation of Gambling, and of the Joint Committee monitoring the Code of Conduct on the Commercial Communication of Gambling Activities.
- Defence of a public system of transparent and rational television, with a true public service approach in its contents, and submitted to mechanisms of real control, and in strict compliance with the prevailing regulations, especially in advertising.
- Defence of a transparent and equitable system for the management of intellectual property, calling for greater transparency and control of Intellectual property rights management entities, as well as the application of fair and proportionate fees based on the effective use of the repertoire they represent.
- Participation in the review process of the European Directive on Audio-Visual Communication Services, currently underway (Directive 2010/13 / EU).
- Through UTECA, it has collaborated in the public consultations promoted by the Administration, particularly those related to 5G and the Digital Agenda.
- Participation, through UTECA, in the Free to air TV alliance, which in 2017 carried out an exhaustive report on the importance of free-to-air DTT, with regards to its different social and economic aspects.



For more information on free to air television <http://televisionabierta.es/2017/07/09/informe-deloitte-television-en-abierto-contribucion-a-la-sociedad-espanola/>

Participation in Corporate Responsibility Initiatives

Global Compact

Since 2007, Mediaset España maintains its commitment to support the United Nations Global Compact (UN Global Compact), an international initiative proposed by the United Nations with the aim of obtaining companies voluntary commitment to corporate social responsibility by implementing Ten Principles based on human, employment and environmental rights and to combat corruption. The company has developed its progress report in which it communicates the actions taken in order to implement the Ten Principles.



Transparency, Good Governance and Integrity Cluster

Since 2016 Mediaset España is a member Forética's Transparency, Good Governance and Integrity Cluster, it is a business meeting point for leadership, knowledge, exchange and dialogue in this field, with a special focus on the value of transparency and good governance in companies and their impact on the market.

Carbon Disclosure Project

Since 2009, Mediaset España has participated in the Carbon Disclosure Project consultation/analysis process (hereinafter, CDP), by responding to the question form on the Climate Change. The initiative was launched in 2000 by the United Nations and keeps the world's main database of primary and business information on climate change, with the purpose of providing solutions for climate change by disclosing information significant to business, policies and investment decisions.



Climate Change Cluster

Since 2016 Mediaset España has been a member of the Forética's Climate Change Cluster, a business meeting point in leadership, knowledge, exchange and dialogue on climate change, coordinated by Forética, as Spain's representative in the World Business Council for Sustainable Development.



Spanish Broadcasters Association

Since 2012, Mediaset España has been part of the Spanish Broadcasters Association, whose purpose is:

- Promoting measures which strengthen legal certainty in all matters concerning the issuing of traded securities.
- Participating in the development of a better legal framework both at national and European level.
- Contributing to the development of high corporate governance standards.
- Promoting communication between companies and their shareholders.
- Maintaining a relationship of dialogue and co-operation with the public authorities and in particular with the National Securities Market Commission (CNMV).

FTSE4GoodIbex

Since 2008 Mediaset España has taken part in the FTSE4Good Ibex. This index reflects levels of environmental, human rights and employment policy management, as well as compliance with certain standards relating to supply chain working conditions, rejection of corruption, etc.



Responsible Gambling Advisory Board

In the responsible management of gambling activity, Mediaset España has been part of the Responsible Gambling Advisory Board since it was established. This organisation aims to protect the safety and welfare of consumers from the possible consequences of gambling, and for that purpose, it serves as a forum so that the various groups involved work together to achieve an ethical and responsible approach to gambling in Spain.

Global Reporting Initiative

Since 2012, Mediaset España follows the principles established in the Framework for the development of Sustainability Reporting Guidelines elaborated by Global Reporting Initiative (GRI), a non-profit organisation whose aim is to promote the development of sustainability reporting guidelines in all types of organisations.

This framework, which contains the sustainability reporting Guidelines, provides the principles and indicators that companies could use to measure and communicate their economic, environmental and social performance and has improved its adaption to the different sectors, by way of sectoral report supplements, complementary to the general framework. Mediaset España responds in its CR Report not only to the general contents set out in the Guide, but also to the corresponding sectoral supplement.



Responsible Media Forum

Since 2017, Mediaset España is part of the international partnership composed of the main media companies, whose objective is to identify and promote actions regarding the social and environmental challenges facing the sector.



BUSINESS

MODEL

MEDIASET *españa.*



STRATEGY

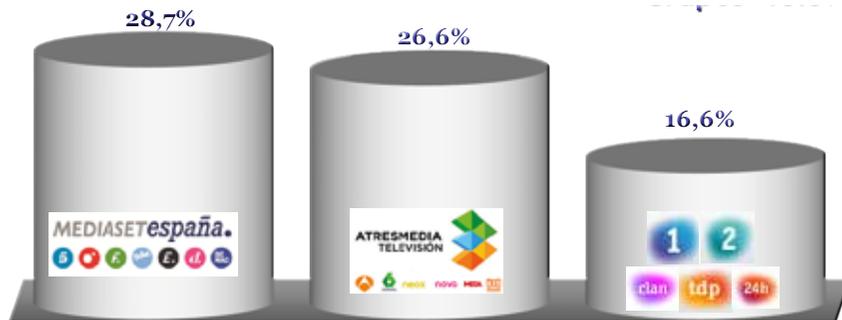
MEDIASET ESPAÑA, LEADER IN PROFITABILITY MAXIMISING ITS ADVERTISING AND AUDIENCE REVENUE.

2017 has been a period of consolidation for free-to-air television. It was the first year that all the new DTT channels were fully functioning, a year in which the competition to maintain the position of the generalist television stations regarding the niche channels has been important. Once again, Mediaset España's audience and financial results in 2017 have been exceptional.

Mediaset España has fulfilled the main objective it set for 2017, which was to be leader in profitability by maximising its advertising and audience income.

For the seventh year Mediaset España established itself as the audio-visual group leading in audiences, in linear and digital consumption and with Telecinco as the most watched network. It confirmed the strength of its leadership as the most watched television group, both in the linear television consumption in total individuals (28.7%), prime time (28.5%), commercial target (30.5%) and young people 13 -24 years old (35.2%) and in digital consumption, with the most watched television video offer on the Internet and the channel's websites with the largest number of unique users.

Total day. Total individuals. TV Groups



5

Telecinco (13.3%) achieved 18 years of leadership among the commercial channels and is the most watched channel for the sixth consecutive year with a 1-point lead over the second option. It leads the commercial target (12.5%) by 4 tenths compared to its main competitor (12.1%) and it leads in prime time for the sixth consecutive year exceeding the rest of its competitors with a 13.5% share, 0.7 points more than its direct competitor (12.8%).

4

Cuatro (6.2%), is the third private national channel in commercial target (7.3%) and it consolidates its strength among the millennial audience (7.4%).

F

Factoría de Ficción, thematic channel leader for the sixth consecutive year (3.1%), it accumulates 69 monthly wins and is the third national television in young people 13-24 years old (8.9%).

d

Divinity (2.2%) is the leading female thematic channel in women aged 16-44 years old (3.6%), leader in commercial target (2.8%) and the third most watched thematic channel together with Nova.

E

Energy (2%) registers the best figures in its history and growing to 2.2% in commercial target.

BE MAD

Be Mad (0.6%) adds 2 tenths with respect to the previous year. It also raises its national average in the commercial target (0.8%) and in men aged 16-44 years old (0.9%).

Boing

Boing (12.2% in children 4-12 years old) is the leading commercial channel for children for the fifth consecutive year with an advantage of 2.3 points over Disney Channel (9.9%), it also wins in total individuals (1.3% vs. 1.1%).

IN 2018 THE GROUP'S STRATEGY WILL BE AIMED AT MAINTAINING AND STRENGTHENING ITS IN-HOUSE CONTENT, ATTRACTING NEW AUDIENCES, GENERATING NEW FORMATS AND ACCOMMODATING THE DIFFERENT AUDIENCES PREFERENCE'S THROUGH A MULTIPLATAFORM OFFER.

Mediaset España obtains these results by being true to its essence, a generalist free to air television that offers the viewer experiences, feelings, information and entertainment. So much so that in 2018 the Group's strategy will be aimed at maintaining and strengthening its in-house content, attracting new audiences, generating new formats and accommodating the preferences of the different audiences through a multiplatform offer.

In this regard, in 2018 the strategy will be based on the following axes:

1. To continue being the free to air television company that leads in profitability, maximising advertising and audience revenues.

In the competitive environment in which the television sector is located, Mediaset España's main objective is to contribute to strengthening the sector. Free-to-air television continues being the most effective means for making profit on advertising campaigns. That efficiency is due to the success of attracting different and large groups of audiences through attractive content. To maintain the sector strong, it is essential to provide the operators competing in it with a profit. The renunciation of this and prioritising audiences or advertising sales over the sector's profitability would have fatal consequences.

This is why Mediaset España sets itself, as the first and main objective, to continue being the most profitable free to air television. This objective is pursued by trying to be leaders in audience, faithful to our editorial line, and seeking the greatest maximisation of advertising revenue.

2. Offer a range of multiplatform content.

Mediaset España wants to reach all audiences focussing mainly on the content it has to offer. At the same time, it wants to bring those audiences consuming specific contents from the digital world to the world of television. The company includes the entire content offering through its different channels, either free to air, on its web platform, on app's, on the platform for mobile phones and tablets and on other types of distribution that may appear.

Mediaset España's content continues to make the viewers fall in love, where 10 of the 20 most watched programmes in 2017 have been Telecinco's.

The variety of content offered by Mediaset España is what creates loyalty and attracts its audience, where they find a place that they can enjoy entertainment, information, reality shows, movies, news, sporting events, etc.

Based on comScore data, in 2017 Mediaset España has been leader in Internet video consumption for another year. The main channel's webs, Telecinco.es, Cuatro.com and Divinity.es and its content platforms both live and on demand Mitele.es and Mtmad.es, have added the new developments such as GeneraciónPro.es, a website aimed at youth sports and Yasss.es, with contents specifically aimed at the so-called 'Z generation' and millennials, with which the company has risen for the second consecutive year to the first position with a monthly average of 79 million videos seen compared to 60.6 million of its main competitor¹.

Mediaset España has once again established a high level of engagement with its viewers, adding up to 11.6 million unique users on average per month in 2017 among all its websites, with Telecinco.es being the most visited for another year, with an average of 7.8 million unique users compared to 7.3 million of Antena3.com.

In addition, Mediaset España has been the leading television group in video consumption with an average of 339 million minutes of videos seen per month, ranking only behind Google, Openload, Facebook, VEVO and Broadband TV. With 3 hours and 49 minutes of video consumption per viewer, it has also been the group with the longest amount of time spent watching content, compared to Atresmedia, which is under 2 and a half hours.

With regard to television content platforms, Mitele has positioned itself as the leading national platform for video consumption with an average of 263 million minutes of video consumed per month between February and November, exceeding Atresplayer by 60%, which records an average of 164 million minutes of video consumed; while Mtmad.es has achieved 691,000 unique visitors in November, surpassing Flooxer by 4.5%.

1. Latest audited data period February-November. Source: ComScore Multiplataforma and Videometrix. Average calculated based on ComScore data. The Videometrix data correspond to PC only.

MEDIASET ESPAÑA HAS BEEN THE LEADING TELEVISION GROUP IN VIDEO CONSUMPTION WITH AN AVERAGE 339 MILLION MINUTES OF VIDEOS VIEWED PER MONTH.

On the other hand, Mediaset España's apps have accumulated 15.2 million downloads in smartphones and tablets until November, with Mitele (7.2 million) being the most downloaded, 'Big Brother' (3.7 million), 'La Voz' (1.9 million) and Mediaset Sport (700,000).

3. Adaptation to the regulatory framework.

In an environment of continuous regulatory changes, both sectoral and economic-financial (accounting, tax and employment), Mediaset España seeks to adapt itself in the most efficient way to them, prioritising the scrupulous compliance with any new regulation that comes into force.

The company has successfully completed the adaptations to all the new sectoral and competition regulations promoted by the regulator. This can be seen by the decrease in the number of proceedings initiated and the greater direct collaboration with the regulator in the areas subject to adaptation, such as content qualification, advertising broadcasting and technological evolution.



BUSINESS MODEL

MAIN RESOURCES

- Availability of **financial resources**
- Technical and Technology support and outstanding infrastructures**
- Creative Talent**
- Commercial relationships** ensuring access to leading programming
- Wide range** of broadcast media
- Solid commercial relationships** with advertisers
- Constructive relationship** with the audio-visual regulatory bodies
- Licences for the top** programming brands
- Sustainable use of **natural resources**
- Reasonable supply **chain management.**

WHAT WE DO AND HOW WE DO IT

VALUE CHAIN

CONTENT DISTRIBUTION **2**

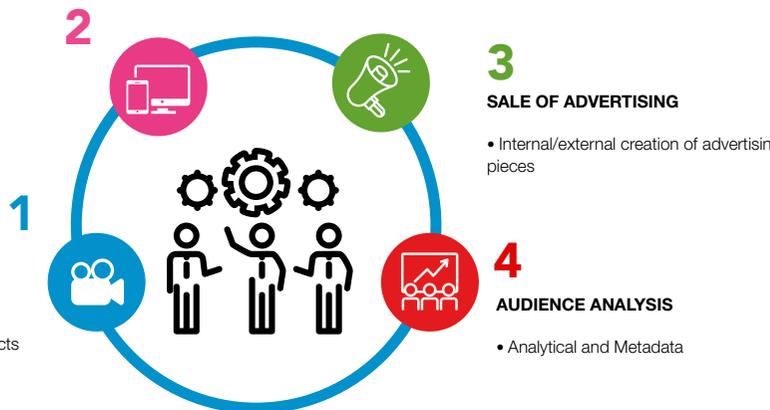
- DTT
- Webs/app
- Cinemas and home video
- Pay TV Platforms
- News Agencies

CONTENT PRODUCTION **1**

- Internal/external creators
- Intellectual Property
- Licences and derived products
- Trademarks

CONTENT PURCHASE

- Broadcast rights management



CORPORATE AREAS OF SUPPORT

GOVERNANCE MODEL



WHAT MAKES US DIFFERENT

Attractive audio-visual content for the audience

Multichannel and Multiplatform offer

Commercial Policy of short blocks in prime time, multiplatform offer and the superspot

Target richness unique at a national level

Capacity to quickly respond to changes

THE VALUE THAT WE CREATE AND DISTRIBUTE



Shareholders

Shareholders Dividend

Employees

Direct Employment

1,273 employees

Advertisers

Value for our advertisers

Advertising Effectiveness Ratio = 151

Entertainment valued by the audience

28.7% average screen share

Community

Support for social matters

€ 13.5 million

Contribution to the tax authorities

€ 194 million

Investment in environmental improvements

€ 359 thousand

Production (external and fiction) and Coproduction Investment

€ 173.1 million

Payments to suppliers and artists

Data at 31/12/2017

KEY SUCCESS AND DIFFERENTIATION FACTORS

To ensure the sustainable development of its business plan, Mediaset España needs a team of people who possess the skills and attitudes necessary to perform the roles assigned to them, who understand and commit to the values and expected behaviour that should guide their actions.

The flexibility of its model and the speed with which it deals with change when programmes need to be replaced or rebroadcast, allows Mediaset España to offer a wide range of programmes.



OTHER PERFORMANCE INDICATORS

ECONOMIC HIGHLIGHTS

TOTAL NET REVENUE
(€ MILLION)

996

2016: 992
2015: 971.9

NET PROFIT/REVENUE
(€ MILLION)

24.6%

2016: 22.6%
2015: 21.1%

READJUSTED EBITDA
(€ MILLION)

262.2

2016: 241.1
2015: 222.67

ADJUSTED EBITDA /
NET REVENUE

26.3%

2016: 24.3%
2015: 22.9%

NET FINANCIAL
POSITION (€ MILLION)

135.3

2016: 177.5
2015: 192.41

ORIGIN-BASED
TAX PAID
(€ MILLION)

58

2016: 55.09
2015: 53.19

GOVERNMENT FINANCIAL
ASSISTANCE (€ THOUSAND)⁶

600

2016: 318
2015: 707

COMMUNITY DONATIONS
(€ THOUSAND)

107

2016: 119
2015: 78

CONTENT PRODUCERS

34

2016: 34
2015: 32

PROGRAMMES
GENERATED

120

2016: 84
2015: 101

ACQUISITION
CONTRACTS FOR
THIRD- PARTY
PRODUCTION

63

2016: 68
2015: 90

INVESTMENT IN
ENVIRONMENTAL
IMPROVEMENT
€ THOUSAND)¹

359

2016: 553
2015: 244

NUMBER OF
ADVERTISERS²

869

2016: 905
2015: 924

NUMBER OF TIMES THE
WEB WAS ACCESSED
(THOUSANDS)^{3,4}

777,808

2016: 1,122,803
2015: 1,399,202

AVERAGE UNIQUE WEB
USER^{4,5}

SEE TABLE

2016: 2,126,269
2015: 2,529,115

1. Mainly relates to investment in air-conditioning and lighting facilities.

2. Only advertisers with investment in all Mediaset España's channels have been taken into account.

3. It relates to visits on the websites of Telecinco, Cuatro, Divinity, Mitele, Radioset and the Corporate Web.

4.- Data according to MMX Comscore multiplatform

5. Since 2017 the company has data provided by Comscore, which provides monthly averages instead of daily averages, as previously reported.

6. Relates to the financial assistance received from the Instituto de la Cinematografía y de las Artes Audiovisuales (Spain), for film co-production activities.

Unique Users	MEDIASET	TELECINCO.ES	CUATRO.COM	DIVINITYES	MITELE	RADIOSET
Monthly Average 2017	11,457,398	7,711,909	3,634,648	1,758,592	2,465,661	783,762
Monthly Average 2016	10,589,569	7,648,224	2,874,186	1,343,369	2,898,449	1,021,781

OTHER PERFORMANCE INDICATORS

SOCIAL DIMENSION

**PROGRAMMES WITH SOCIAL CONTENT
(NUMBER OF BROADCASTS)**

2,555

2016: 2,445
2015: 2,190

**ASSIGNMENT OF ADVERTISING SLOTS SUPPORTING
SOCIAL CAUSES (€ THOUSAND)¹**

13,341

2016: 10,538
2015: 25,755

**INVESTMENT IN TRAINING
(€ THOUSAND)**

149

2016: 156
2015: 207

HOURS OF TRAINING PER EMPLOYEE ²

15.5

2016: 10.38
2015: 15.67

EMPLOYEES WITH PERFORMANCE ASSESSMENT³

24%

2016: 23%
2015: 24%

1. Since the approval of the Sustainable Economy Law in 2011, all NGO advertising which was previously considered as advertising can no longer be regarded as such.

2. The workforce average in 2017 has been taken into account for this ratio.

3. Relates to employees with performance assessment of Mediaset España and Publiespaña.

OTHER PERFORMANCE INDICATORS

ENVIRONMENTAL DIMENSION

PAPER CONSUMPTION
(KG)

17,567

2016: 19,075
2015: 18,451

PRINTER TONER
AND CARTRIDGE
CONSUMPTION (UNITS)

1,121

2016: 941
2015: 951

BATTERY
CONSUMPTION (KG)

2,247

2016: 2,561
2015: 2,757

DISCS CONSUMPTION
(KG)

1,734

2016: 1,325
2015: 2,622

WASTE
GENERATED (KG)

458,134

2016: 496,462
2015: 126,417

WATER CONSUMPTION
(M³)

28,662

2016: 26,282
2015: 29,858

ELECTRICITY
CONSUMPTION (GJ)

63,919

2016: 63,256
2015: 62,711

DIESEL CONSUMPTION
(GJ)

76

2016: 79
2015: 36

NATURAL GAS
CONSUMPTION (GJ)

4,638

2016: 4,257
2015: 4,044

GREENHOUSE GAS EMISSIONS (TN)
SCOPE 1

1,278.24

2016: 845
2015: 813

GREENHOUSE GAS EMISSIONS (TN)
SCOPE 2

-

2016: -
2015: 5,319

GREENHOUSE GAS EMISSIONS (TN)
SCOPE 3

182,955

2016: 265,810
2015: 2,019

AUDIOVISUAL BUSINESS

2017 WAS A KEY YEAR FOR FTA TELEVISION IN GENERAL AND FOR MEDIASET ESPAÑA IN PARTICULAR

There are a number of reasons why 2017 was a key year for FTA television in general and for Mediaset España in particular.

The first reason is that in spite of an environment of increased competition, more and more audience fragmentation, and trends toward new forms of consumption, our company has continued to show the strength of its leadership as the most watched television group in Spain for the seventh consecutive year, in both linear television consumption and on demand, with the most viewed videos on the Internet and with television websites with the largest numbers of unique visitors.

The second reason is the growing evidence that commercial television is the king of advertising media, being the only one capable of guaranteeing the advertiser high market coverage. It's a reality which is more evident every day with the rise of pay television and the emergence of new platforms. Mediaset España offers advertisers the most effective choices of media in traditional and digital television in a stable environment for their brands and demonstrates market leadership with the largest share of media investment in our country. And all with margins that place us once more as one of the most profitable audio-visual groups in Europe.

The third reason is that no other medium or content platform brings the viewer closer to the issues that matter most to citizens as television does. In this area, Mediaset España has once again proven itself the gold standard for news in a year with particular political and social importance both domestically and abroad through Atlas, our nationwide audio-visual news agency and producer of news reports for Telecinco and Cuatro.

The company has again combined its leadership in news with its commitment to keep the viewers company through both general interest and specifically targeted programming in which our fiction and entertainment offerings shined anew, making us one of the principal creators and producers of content in Spain.

We also made history through Telecinco Cinema, whose films led the Spanish film industry in market share, revenue and number of viewers, with the four most watched productions released in Spanish cinema in 2017.

The company has applied a management model focused on profitability and shareholder return to all its business lines, and investor confidence was rewarded for another year with excellent market positioning in our country.

Mediaset España thus finds itself on superb footing to navigate the transition period toward complete digitalisation of the audio-visual sector, making advances while engaged in an internal transformation and adaptation process as it has done so many times before, playing a leading role as it has always done throughout its history.



THE COMPANY HAS AGAIN COMBINED ITS LEADERSHIP IN NEWS WITH ITS COMMITMENT TO KEEP THE VIEWERS COMPANY THROUGH BOTH GENERAL INTEREST AND SPECIFICALLY TARGETED PROGRAMMING IN WHICH OUR FICTION AND ENTERTAINMENT OFFERINGS SHINED ANEW.

OUR PROGRAMMING HAS THE HIGHEST DEMAND BY TELEVISION VIEWERS NOT ONLY THROUGH LINEAR CONSUMPTION IN DTT, BUT ALSO THROUGH NEW STREAMING AND ON DEMAND PLATFORMS, MEDIA AND DEVICES.

Mediaset España, audience leader in linear and digital consumption

Not a year has gone by since its creation as a media group, seven years now, that Mediaset España has not been number one in market share in Spain. Its programming has the highest demand by television viewers not only through linear consumption in DTT, but also through the new consumption methods both live and on demand through different platforms, media and devices, and 2017 saw the implementation of constantly improving digital technologies, placing us at the cutting edge of the transformation process within the audio-visual business sector.

Among our channels are Telecinco, the most watched network with programming directed at all types of audiences; Cuatro, the third most watched television channel among millennials; Factoría de Ficción, the leader among thematic channels with series and movie programming; Boing, the most watched children's channel on commercial television; Divinity, the leader among channels aimed at young women; Energy, the very first international story based television channel for the young male audience; and BeMad, the number one HD channel in broadcast television.



Taken together, Mediaset España closed the year with 28.8% of total viewership, 2.2 percent more than our nearest competitor (26.6%). The group has also managed to come out on top in market share (30.5%) and prime time (28.5%), distancing itself from Atresmedia by 1.9 and 1.6 percent respectively. Mediaset España is the preferred outlet for young people from 13 to 24 years old for the seventh consecutive year with an outstanding 35.2% share, a figure representing an advantage of 7.2 points over second place (28%).

In addition, we are the leader in television programming on the Internet in terms of videos viewed as well as customer loyalty and engagement, most notably the official websites of our TV networks Telecinco.es, Cuatro.com, Divinity.es and others, and our two content platforms: Mitele, with all of the Mediaset España programming live, on demand, and available on the internet through our app or through online television; and Mtmad, our native video channel for millennials, which together have maintained the top spot in minutes of videos viewed for the third consecutive year with a monthly average of 339 million minutes viewed and 79 million videos viewed. Mediaset España was the leader in engagement with a monthly average of 3 hours and 49 minutes of video consumed per month per user, figures that show the strength of its content in the digital environment (*).

(*). Most recent audited data. Source: Multiplataforma and Videometrix from ComScore. Average calculated based on ComScore data. The Videometrix data only correspond to PC's. Videometrix data do not take into account the month of January as the Mediaset España data was affected by an incident arising from outside the company.

THE MOST WATCHED TELEVISION NETWORK IN SPAIN (SHARE)

28.7%



18 years as the leader in commercial television

2017 was the coming of age year for Telecinco's audience leadership: 18 uninterrupted years as the most watched commercial network and the most watched network overall for the sixth consecutive year with a 13.3% share, which is 1 point in front of second place. Its dominance extends to commercial target (12.5%) and to the most watched TV time slot, prime time, with a 13.5% share, where Telecinco has also led for six consecutive years.

Its successful combination of entertainment, fiction and news has made the network the preferred choice for all target audiences by age except for children, most notably the 13 to 24 and 25 to 34 demographics with a 12.3% and 13.0% share respectively, compared to 11.6% and 11.2% share for its nearest rival. Among millennials, (urban youth from 16 to 34 years old), Telecinco is also the first choice (13.1%), some 1.6 percent ahead of Antena 3 (11.5%).

As one digs even deeper into the data, Telecinco's leadership throughout the year is even more evident: it led 11 of the 12 months of the year and was the most viewed network for the most number of days (251), 68.8% of them. It also beat the competition in practically all timeslots: total day (13.3%), prime time (13.5%), daytime (13.2%), afternoon (15.1%) and late night (15.8%) and was the most watched TV on early afternoon (11.5%) among commercial networks. For regional markets, it was the first choice in Asturias (20.9%), Canarias (15.2%), Murcia (15.5%), Andalusia (13.7%), Galicia (13.8%), Basque Country (14.7%) and Madrid (13.9%), with data above its national average in all of them. Telecinco was also the most watched network 5 out of 7 nights of the week: Tuesday (14.9%), Wednesday (15.6%), Thursday (15.7%), Saturday (14.1%) and Sunday (14.2%).

Unrivalled in entertainment

Closeness to its viewers; the intention to accompany them; wide selection of live content produced in-house, representing 94.7% of its annual broadcast content; and live programming, representing more than 50% of its broadcast hours in 2017; have all made Telecinco the benchmark for free television entertainment in the Spanish audio-visual sector. News programmes, magazines, interviews, dating shows, talent shows, contests, reality shows and comedy and drama shows have solidified its market position, making it the audience's preferred choice in the most important time slots.

Among prime-time slots, once again the third edition of "La Voz Kids", hosted by Jesús Vázquez, was the most watched television entertainment programme in 2017 with a 22.9% share and 3,128,000 viewers. The performances of the little artists, under the watchful eye of David Bisbal, Rosario Flores and Antonio Orozco, were the most watched in every sociodemographic target, beating the second-place competitor by more than 5 percent. Also, in the field of talent shows, "Got Talent España", presented by Santi Millán with the help of Edurne, Jorge Javier Vázquez, Risto Mejide and Eva Hache, finished its second season this year as the third most watched programme after improving 1.9 percent compared to its previous season and reached a 20.9% share with 2,762,000 viewers.

As far as reality shows are concerned, "Supervivientes" became the second most watched entertainment programme for the year with a 26.3% share and 2,910,000 viewers, with its last three episodes exceeding 26%. Also "GH VIP 5" was number one for 16 of the 17 shows broadcast, exceeding its nearest rival by more than 7 percent with a 18.1% share and 2,099,000 viewers, while 13 of the 14 episodes of "Gran Hermano Revolution" came in first with an advantage of 5.1 percent over second place.

PRIME TIME LEADER

13.3%

ITS SUCCESSFUL
COMBINATION OF
ENTERTAINMENT,
FICTION AND NEWS
HAS MADE THE
CHANNEL THE
PREFERRED CHOICE
FOR ALL TARGET
AUDIENCES BY AGE

“PASAPALABRA” IS THE GOLD STANDARD FOR AFTERNOONS, AND WITH A 16.4% SHARE AND 1,951,000 VIEWERS, IT REMAINS THE MOST COMPETITIVE GAME SHOW ON TELEVISION FOR ANOTHER YEAR, LEADING ITS TIME SLOT FOR THE TENTH CONSECUTIVE YEAR.



Telecinco viewers have had the opportunity to enter the homes and experience the lives of various celebrities with Bertín Osborne in new instalments of “Mi casa es la tuya”, which was number one in its time slot with a 14.9% share and 2,152,000 viewers.

In-house production has also been the mainstay of Telecinco’s programming in daytime: “El programa de Ana Rosa” (18.4% and 544,000) is already part of television history, and in its thirteenth season it finds itself placed as the morning leader for 12 consecutive years, and enjoying the greatest lead over its primary competitor, “Espejo público” (16.0% and 460,000) in the past two years with respect to the previous year (from 1.7 percent to 2.4).

“Mujeres y hombres y viceversa” with Emma García at the helm, recorded an 11.1% share and 707,000 viewers, ranking it as the leader in its commercial target market (15.0%) and growing notably in the 13 to 24 demographic (25.9%). For her part, Carlota Corredera and the stylists of “Cámbiame” have made this programme the first choice in its time slot among commercial broadcasters with an 11.4% share and 1,223,000 viewers.

Afternoons belong to the unique universe of “Sálvame”, hosted by Jorge Javier Vázquez, Paz Padilla and Carlota Corredera. When its components “Naranja” and “Limón” are taken together, it again led its time slot with a 16.3% share and 1,702,000 spectators and posted its greatest advantage over the competition in the last six years. The “Sálvame” franchise has also found success with its Saturday night edition “Saturday Deluxe”, with a 14.9% share and 1,511,000 viewers.

“Pasapalabra” is the gold standard for afternoons, and with a 16.4% share and 1,951,000 viewers added another year as the most competitive game show on television, leading its time slot for the tenth consecutive year.



THE ALREADY LEGENDARY “LA QUE SE AVECINA” IS ONCE AGAIN THE MOST WATCHED SERIES ON TELECINCO AND THE FICTIONAL PROGRAMME WITH THE HIGHEST VIEWERSHIP ON TELEVISION.

Telecinco’s series: quality fiction

In addition to satisfying its audience - Telecinco placed three series among the five most watched for the year, two of them premieres - in 2017 one of the boldest bets on a drama series in television was received with unanimous critical acclaim and approval from a demanding public: “Sé quien eres” (15.2% and 2,386,000). The series created and produced by Pau Freixas and starring Francesc Garrido, Blanca Portillo, Aida Folch, Susana Abaitua, Álex Monner, Antonio Dechent and Nancho Novo, won the Ondas Award for Best Spanish Series and the MIM Award for Best Dramatic Fiction. This show was one of the most watched dramatic premieres on a commercial network, occupying third place behind two other Telecinco series: “Perdónname Señor”, with the highly anticipated return of Paz Vega to television making it the most watched new series of the year (19.1% and 2,816,000), and “El accidente”, the second most successful new fictional programme of 2017 with a 17.6% share and 2,711,000 viewers.

The already legendary “La que se avecina” is once again the most watched series on Telecinco and the most watched fictional programme with the highest viewership on television (tied with “Aquí abajo” from Antena 3). The new adventures of the residents of Mirador de Montepinar have obtained the best commercial target for fiction (23.5%) and the highest number of hits for all networks in on-demand viewings.

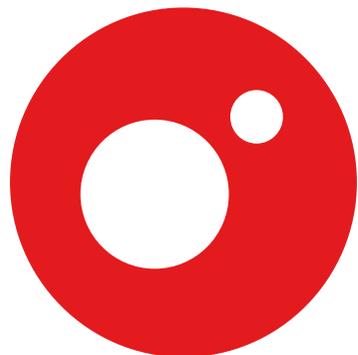


Telecinco News: the news leader for the 5th consecutive year

The year 2017 will be marked as one of the periods of greatest political and social importance in our recent history, with a news cycle characterised by important matters that aroused extraordinary interest public and a broad desire for news on the part of viewers. In this environment, Telecinco News ended the year as undisputed leader in the primary news hours – early afternoon to early evening Monday to Sunday - with a 14.2% share and 1,854,000 viewers, 1.6 percent above its closest rival network and above even public television news programmes.

In its broadcasts from Monday to Friday, Informativos Telecinco at 9:00 p.m. was the most watched news programme for all of television in 2017 with 2,307,000 viewers and a 16.3% share. Its balanced formula of objectivity, independence, immediacy and depth made the Pedro Piqueras broadcasts the most watched time slot of the day for all networks 44 days of the year. For early afternoon, the Monday through Friday editions of Informativos Telecinco at 3:00 pm presented by David Cantero and Isabel Jiménez received a 13.7% share with 1,695,000 viewers and was the most watched news programme in its time slot among commercial broadcasters. During the weekends, José Ribagorda and Ángel Blanco managed to lead prime time news offerings with a 12.5% share and 1,696,000 viewers.





Young and urban demographic

The young and urban demographic is the key that helps Cuatro stand out as a major choice for millennials (7.4%) and the third highest among non-public broadcasters in commercial target (7.3%)

Eight years after its incorporation into Mediaset España, Cuatro has established itself within the company as the perfect complement to our multi-channel strategy by facilitating our business strategy as well as strengthening our content offer and the target category penetration we achieve with the thematic channels and Telecinco. In 2017, Cuatro further differentiated itself within emerging audio-visual spaces created by new operators and distribution platforms, capturing the attention of mostly young and cosmopolitan viewers. As a result, Cuatro is the national general interest network that best converts its audience to this segment, continuing to grow this year as one of the most important television sources for millennials, viewers between 16 and 34 in urban areas, among which it achieved a 7.4% share, almost 2 percent in front of the second-place finisher among general interest channels, La Sexta (5.5%).

For the demographic up to age 55, the channel ended the year with a 7.1% share, 0.8 points ahead of La Sexta, with the 25 to 34 demographic (7.5%) being the largest component of its viewership.

This great affinity with youth has allowed Cuatro to rise as the national television network with the best commercial target conversion rate (7.3%), and this year it was the third most demanded national television channel by advertisers in its segment once again.

Cuatro also stood out in the time slot with the highest advertising investment, prime time (6.4%), closing the year as the only channel that saw an increase (+0.2) and matching its best results of the last seven years.

Cuatro, the channel with the most new original content

This year saw Cuatro as a leader in creation, development and launching of new entertainment brands once again, defending its title as the channel with the highest number of original content offerings to premier in 2017, many of them original creations which Mediaset España co-produced with the largest TV production companies in our country. A wide range of programming which allowed the network to navigate genres as varied as documentary, dating shows and reality without neglecting news and investigation, solidify recent content confirming its draw with viewers and test new products.

2017 saw the arrival of new shows to Cuatro such as “Heroes, más allá del deber” (6.3% and 856,000 viewers), a true to life show that combines the workdays of first responders in our country with the day to day of their personal lives, and which registered 9% in the 13 to 24 demographic. There was also “Espíritu Salvaje” (4.4% and 554,000) a journey through the life of an atypical Spanish family, modern nomads willing to instill in their children a love for nature and respect for the environment by travelling the world in search of animal species in danger of extinction amid stunning landscapes. Other new shows were “A cara de perro” (7.1% and 819,000), starring Javier García Roche; “Tú, yo, y mi avatar” (4.8% and 492,000) where Luján Arguelles breathed new life into the search for love on television; the show “Dani & Flo” provided a humorous note in the afternoons with Dani Martínez, Florentino Fernández and Lara Álvarez, as did “Snacks” and “Singles”, the latter with Nuria Roca, aimed at millennials.

Additionally, 2017 was a year in which “El Xef”, the docu-show about the life of three Michelin star chef Dabiz Muñoz, consolidated its position with 1,363,000 viewers and a 7.6% share, the absolute leader in its time slot for the 24 to 35 demographic. “Planeta Calleja” (1,392,000 and 8.3%) experienced its best season in terms of viewership and was second in its time slot among viewers 35 to 54 years old (11.1%). “Hermano Mayor” (6.8% and 934,000) returned for a new season with Jero Garcia hosting, as well as the dean of programmes at Cuatro, “Cuarto Milenio”, which

CUATRO ALSO STOOD OUT IN THE TIME SLOT WITH THE HIGHEST ADVERTISING INVESTMENT, PRIME TIME (6.4%), CLOSING THE YEAR AS THE ONLY CHANNEL THAT SAW AN INCREASE (+0.2) AND MATCHING ITS BEST RESULTS OF THE LAST SEVEN YEARS.

2017 WAS A YEAR IN WHICH “EL XEF”, THE REALITY SHOW ABOUT THE LIFE OF THREE MICHELIN STAR CHEF DABIZ MUÑOZ, CONSOLIDATED ITS POSITION WITH 1,363,000 VIEWERS AND A 7.6% SHARE, THE ABSOLUTE LEADER IN ITS TIME SLOT IN THE 24 TO 35 DEMOGRAPHIC.



with a loyal audience of 893,000 and a 7.9% average share, maintained Sunday morning supremacy, posting its greatest lead over La Sexta in the last four years (+2.3 percent).

“The Gipsy Kings” was the most watched programme on Cuatro in 2017, with 1,674,000 viewers and an 11.5% share (best ever), a figure that rises to 14.4% of commercial target and which placed the structured reality show as the absolute leader in its time slot for the under 35 demographic (21%). Next most popular was “Chester”, scoring an 8.7% share with 1,630,000 viewers (10.1% of commercial target) and its earlier format “Chester in Love” (8% and 1,563,000) as well as “Volando voy”, with an 8.8% share and 1,625,000 viewers (increasing to 9.5% of commercial target).

Among the successes for Cuatro in the structured reality genre was the return of Samanta Villar with “Samanta y ...” (8.5% and 1,351,000), finding itself in second place in its time slot for the 25 to 34 demographic (16.9%), behind only Telecinco, as well as the return of the “Ven a cenar conmigo” reboot, which charmed viewers to the point of reaching levels above 6% and 9.4% in the 25 to 34 demographic in its final weeks.

The cooking contest has become a great pairing with “First Dates”, which saw great success with a 7.9% share, 1,351,000 viewers and some 10.1% of commercial target, figures giving it the best prime time numbers for Cuatro in the last 7 years.

Among dating shows, legacy programmes such as “Quién quiere casarse con mi hijo” (8% and 1,012,000 viewers) and “Granjero busca esposa” (6.9% and 895,000 viewers) have shown their strength one more year, especially among younger audiences.

In the field of investigation and reporting, Jesús Cintora returned to Cuatro with “La línea roja” (5.9% and 915,000 viewers), while in “Fuera de Cobertura”, Alejandra Andrade once again focused on the most controversial topics (5.9% and 912,000 viewers), along with reports in “En el punto de mira” (7.1% and 1,068,000) and its summer spin-off “El verano en el punto de mira” (8.9% and 1,120,000).

Grounded in real life and with the aim of raising awareness by focusing on the debate surrounding bullying, this year Cuatro offered the programme “Proyecto Bullying” (5.2% and 897,000 viewers) with Jesús Vázquez hosting, putting a bow on the acclaimed 12-month media campaign “Se buscan valientes”.



CUATRO HAS ONCE AGAIN SHOWN THAT IT IS IN SYNC WITH ITS VIEWERS WHO ARE LOOKING FOR ENTERTAINMENT AS WELL AS INFORMATION AND INSIGHTFUL POLITICAL ANALYSIS.

Fiction and international cinema, a dedication to quality

“Blockbuster” (7.8% and 1,074,000) and “Home Cinema” (7.6% and 918,000 - 6.1% and 680,000), with its special version “Blockbuster Kids” (7.4% and 917,000) are Cuatro’s two main movie slots, and in 2017 not only did they show their mettle against the competition, but they increased their leads thanks to their programming of outstanding titles from the best of Hollywood and first run television.

International series programming at Cuatro consisted of “The X-Files” (7.3% share, 897,000 viewers and 9.8% of commercial target), “Criminal Minds” (946,000 viewers, 5.8% share and 7.4% of commercial target) and “Z Nation”, (628,000 viewers, 5.6% share, and 7.6% of commercial target).

The news, key for Cuatro

In a year especially convulsed by political and social news, Cuatro once again showed itself to be in sync with viewers who seek entertainment content as well as political information and analysis among its programming. Thus, “Las Mañanas de Cuatro”, the morning news show anchored by Javier Ruiz, scored its third best year in terms of both its 10.6% share and the number of spectators, 643,000. “Noticias Cuatro” with Carme Chaparro follows, which gathered an 11.1% share and 1,090,000 viewers, while in 2017 the talk show hosted by Miguel Angel Oliver achieved a 4.3% share and 454,000 spectators. At the weekends, Roberto Arce and Marta Reyero broke records with a 10.2% share and 875,000 followers.

In sports, Manu Carreño teamed up with Juanma Castaño to lead the early afternoon show “Deportes Cuatro” with an average 7.2% share and 880,000 viewers and maintained its standing as the most watched sports news programme on television, 2 percent ahead of “Jugones” from La Sexta (5.2% and 632,000), continuing its firm hold on first place in its time slot.



MEDIASET ESPAÑA HAS ESTABLISHED ITSELF AS THE LEADING MEDIA GROUP FOR MAJOR SPORTING EVENTS IN THE LAST FEW YEARS.

Eurobasket 2017, European Under 21, and Supercopa de España, the most outstanding sporting events of the year on Mediaset España

Mediaset España has established itself as the leading media group for major sporting events in the last few years. After announcing the acquisition of broadcast rights for the next World Cup to be held in Russia in 2018, during the year we broadcast Eurobasket 2017, the Spanish national football team's friendly matches, the European Under 21 football tournament played in Poland, the final of the Copa del Rey for football, the Supercopa de España, and the final of the French Open tennis tournament at Roland Garros.

Telecinco broadcast all of the friendly matches of the Spanish national football team, gathering an average of more than four and a half million viewers (4,577,000) and a 27.7% share, the match with France receiving the most viewers (32.8% and 5,922,000). In club competitions, the network presented the final of the Copa del Rey between F.C. Barcelona and C.D. Alavés (36.2% and 5,523,000) and the Spanish Supercopa that saw Real Madrid and F.C. Barcelona face off, with a 46.8% share and 6,348,000 viewers and a 49.8% share and 6,553,000 viewers for the two legs of the final, figures that saw an overall increase of more than 26 points. In addition, Telecinco broadcast the final at Roland Garros between Rafa Nadal and Stan Wawrinka, scoring a 26.5% share and 3,455,000 viewers.

Cuatro witnessed new success for the Spanish basketball team when it earned the bronze medal at the Eurobasket 2017. The games played by Spain obtained an average of 14.7% share and 1,685,000 viewers, while viewership for the semi-final played against Slovenia exceeded 3 million (3,044,000 and 21.7%). The other games in which the Spanish National Team did not participate were broadcast by Be Mad.

In addition, Cuatro offered the Spanish Under 21 football team matches when it played in the European Championship in Poland, with an average of 23.5% share and 2,843,000 viewers, reaching a 33.7% share and 4,151,000 viewers for the final between Spain and Germany. In pre-season, the network showed the International Champions Cup, a tournament in which Real Madrid and F.C. Barcelona participated along with the most important clubs in the world. The match between Real Madrid and F.C. Barcelona obtained a 48.6% share and 1,780,000 viewers.





Six years as a thematic leader

Factoría de Ficción has emerged once again as the most watched thematic channel for 2017, stringing together six consecutive years of indisputable leadership with a 3.1% share in total viewership. Mediaset España's series and movie channel has also become the third most popular channel in the country for young people aged 13-24 with an 8.9% share, beating even generalist channels such as La Sexta for another year in this target.

SHARE TOTAL

3.1%

Icons of Spanish comedy, comedic shows, American sitcoms, emblematic international comedic and dramatic productions and blockbusters make up the channel's programming, catapulting it to success this year. "El club de los mandangas" specials in which the regulars and special guest stars of "La que se avecina" recall the funniest moments from the series, and "Gym Tony LC", based on the popular comic strip set in an urban gym, debuted on Factoría de Ficción, reinforcing its solid offerings of humour made in Spain, and backed up by such acclaimed titles as "La que se avecina", "Aída", and "Los Serrano".

Its selection of international fiction featured new episodes of the comedy-drama "Shameless" and a wide range of television genres: the sitcom "Papá canguro", the family comedy "Melissa and Joey", the medical drama "Royal Pains" and the crime series "Cold Case", "Criminal minds", "Criminal minds: Beyond Borders" and the "CSI" sagas, among others. Action, family comedy, science fiction, intrigue and animation have all appeared among the movie offerings at Factoría de Ficción, earning audience support with blockbusters such as "World War Z", "Dawn of the Planet of the Apes", "Red", "Kingsman: Secret Service", "Avatar", "Zookeeper", and films from Telecinco Cinema such as "Ocho apellidos vascos", "Ocho apellidos catalanes", and "Tad the Lost Explorer".





Third most watched thematic channel in 2017

A 360-degree programming strategy based on its unwavering commitment to new formats; the creation of theme based and branded events; continuous evaluation and improvement of content; and engagement with viewers on-air, over the internet, and through social media placed Divinity in a tie in 2017 with Nova for the third most watched thematic channel, with a 2.2% share of total individuals, 2.8% of commercial target and 3.6% of its core target (women aged 14 to 44).

Its brand image was reinforced with the launch of "Sofá, Cine y Divinity", its new vehicle dedicated to movies, joining two other emblematic thematic brands "Series que enamoran" and "Divinity Crime", complementing the wealth of genres already on the channel and inviting viewers to enjoy unforgettable film sessions with the best stories on celluloid.

Special programming events accompanied the debuts of the channel's important documentary and fiction offerings such as "Pink Friday" which, coinciding with the global shopping dates of Black Friday and Cyber Monday, decided to debut with the fashion-reality show "Project Runway"; "I'm so excited", which included the double premiere of the reality show "Body Fixers" and the fashion-talent show "Curvy Supermodel"; "Divinity Pink Emergency", in which the outcome of the 13th season of "Grey's Anatomy" shared the spotlight with the re-release of the most exciting episodes from several "Series que enamoran"; "Every day is Christmas", in which premieres and the Christmas theme have been the main protagonists in November and December; and embracing the new rising "ugliness" trend with the premiere of "Yo soy Bea" for the first time in 16:9 widescreen format in its daily broadcast.

American fiction was one of the main pillars of the channel's prime time programming menu with the broadcast of new seasons of the procedural dramas "Major Crimes", "How to Defend a Murderer",

"Elementary", "Motive", "Murder in the First", and "In Plain Sight". As for reality-based shows and contests, Divinity strengthened the choices in its "Divinity Home" brand with the premiere of "Buy It! Fix It! Sell It!" and "Every Day is Christmas" and the broadcast of new seasons of "Property Brothers" and "My Dream Home"; and of "Delicious!", its vehicle for creative cooking with the debut of the cooking reality show "My Kitchen Rules."

Content produced in-house alongside broadcasts of the most prestigious national musical events form the channel's offerings in programmes such as "Cazamariposas", a prime time gossip show hosted by Nuria Marín and Nando Escribano, and "Luce tu pueblo", branded content hosted in its second season by Verónica Dulanto; and live broadcasts of the Cadena Dial award programmes, "La noche de CADENA 100", and the "Por Ellas" charity concert.

Now in its sixth year, Divinity celebrated its anniversary with the launch of "Me muero de amor por Divinity", a 360-degree initiative that combines broadcast, web and social media for the premiere of the musical "The Bodyguard", whose cast star in the channel's promotional campaign.

SHARE TOTAL
2.2%





The channel of choice for international fiction

Energy consolidated its reputation as a broadcast channel for foreign television series, extending its reach into the most sought-after demographics among thematic channels in the market. The channel set a record with a 2% share, surpassing its chief rival, Mega (1.8%). It also scored its highest ever commercial target (2.2%), with a 1.9% share in its core target (men aged 25 to 54).

A channel showing international television series, this year it proved the words of its slogan “Serious about Series” by including among its offerings internationally successful productions such as the “The X-Files”, the “CSI” franchise, “The Strain”, “Flashpoint”, “NCIS Los Angeles”, “Smallville”, “The Americans”, “Grimm”, “Hawaii 5.0”, “Marvel’s Agents of S.H.I.E.L.D.”, “Agent Carter”, “American Horror Story” and “The Witches of East End”, among others.

In addition to these series, thematic programming events were added such as “13 days of Halloween”, an event that included the world premiere of “American Horror Story: Roanoke”, the third season of “Z Nation” and a selection of horror episodes of some of their most classic series; “Marvel Night”, with the premiere of the series “Agent Carter” and new instalments of “Marvel’s Agents of S.H.I.E.L.D.”; “The X Files fan edition”, which offered fans of the series “X-Files” a selection of the most iconic episodes of the legendary series, as a prelude to its return to Cuatro; and the launch of the thematic brand “Terror Zone”, which broadcasts series directed to fans of mystery, terror and science fiction.



THE CHANNEL SET A RECORD WITH A 2% SHARE.



The young viewers' channel

unifica la estrategia 360° de TV e internet

In its second year of activity, the Mediaset España HD channel (0.6%) grew two tenths of a percent with respect to 2016, raising its national average to 0.8% commercial target and reaching 0.9% of its core target (men from 16 to 44 years old), outperforming the other channels launched in 2016 in this metric and tied with Dkiss.

Today, Be Mad is one of the channels that best exemplifies the 360-degree fusion between digital and television with modern content designed and adapted to its audience's language with high production values.

Be Mad included live broadcasts of the Radioset programmes "Partido a partido" and "MorninGlory", under the "Be Mad Live!" label, as well as some of the most followed native formats on the Mtmad video platform, such as "Rodéanos", "Hackers del sexo", "Poderosa Afrocita", "Gipsy Queens" or the videoblogs "Dando la talla que es gerundio" by Tania Llasera and "By Pelayo" from Pelayo Díaz, among others.

Among debuts was the in-house production "Convénzeme", the first ever literary programme recorded and produced with 4G mobiles and directed by Mercedes Milá; and six new episodes of the "Río Salvaje" adventure programme hosted by Kike Calleja, which shows the work being done in the Gondwana nature reserve in South Africa.

The educational channel, as part of its commitment to social responsibility, premiered "La niña bonita", a documentary that treats the Syrian crisis in depth and compares refugees at two different times in history; became involved in the organ donation campaign "Eres perfecto para todos" on the 12 Months website with a special programme that included the premiere of the documentary "La intérprete"; and reminded us of the earthquake that struck Kathmandu in "Rising Nepal", which tells the stories of several survivors of the earthquake.

True to its deep commitment to produce transversal programming, Be Mad introduced the innovative Binge-Watching experience, a broadcast model for nonstop transmission of programmes centred on one theme under the slogan "You deserve your daily binge".

Be Mad also brought in sporting events, offering a selection of games from Eurobasket 2017, the European under 21 tournament in Poland, and broadcasts from the World Fight Tour, a mixed martial arts event held in Las Palmas de Gran Canaria.

The channel also worked to strengthen its "Be Mad Planet" brand, offering up new content on "Planeta Calleja Extras" and the New Zealand bicycle race "Imparables" hosted by Santi Millán.

Among content produced by others, most notable were the premieres of "Cooking up a Tribute", culinary documentary starring the team of Celler de Can Roca, as well as the reality-based shows "Deadliest Pests Down Under", "Evil Twins", and "Bodyshockers", among others.



TODAY, BE MAD IS ONE OF THE CHANNELS THAT BEST EXEMPLIFIES THE 360-DEGREE FUSION BETWEEN DIGITAL AND TELEVISION CONTENT DESIGNED FOR MILLENNIALS AND ADAPTED TO THEIR LANGUAGE WITH HIGH PRODUCTION VALUES.



Five years leading commercial children's television

For 2017, support from the youngest members of the household once again made Boing the leading children's channel on commercial television with a 12.2% share among children aged 4 to 12, success that continues uninterrupted since 2012 and whose key this year was the move towards more in house production at the channel.

This commitment to original content led Boing to premiere the "Ben 10 Challenge" last autumn, an international competition presented by David Amor. An ambitious project that involved the development of eight versions of the contest, one for each territory (Germany, France, Italy, United Kingdom, Poland, Turkey and the Middle East), and in which 320 children and adults travelled to Spain from their home countries and assumed the roles of the three most famous characters in the series: Ben, the young protagonist, his cousin Gwen, and their grandfather Max in a series of physical and mental challenges to test their speed, strength and sense of adventure, as well as their knowledge about the series.

Boing also premiered "Wooala!", a magic and humour programme featuring Borja Montón, professional illusionist and Guinness Record holder in the 2015 World Championships of Magic, and Mariano Lavida, a professional specialising in card tricks and up-close magic.

Last year also witnessed the second season of "Hora de aventuras: Misión ¡Zuzumba!". Just as in the first season, the contest featured children between eight and 12 years old, accompanied by their parents, who lived a series of adventures set in the unique world of the Cartoon Network.

So far as animated series are concerned, Boing premiered reboots of two classics: "Dragon Ball Super", a new version of the legendary manga series, and "Ben 10", an update of the famous Cartoon Network programme, as well as "Mighty Magiswords", together with new seasons of well-established shows such as "The Amazing World of Gumball", a true animated phenomenon in our country, "Clarence", "We Bare Bears", "Uncle Grandpa" and "Steven Universe", as well as new episodes of other successful series such as "Doraemon", "Yo-kai Watch", "Teen Titans Go!", "Dragon Ball Super" and "Ninjago".

Boing ended 2017 with two major programming events: the debut of "Elementos", a miniseries spin-off of "Hora de aventuras", and the "Fourth Powerpuff Girl" which featured the discovery of Bliss, the new sister to Buttercup, Blossom and Bubbles, and dubbed in the Spanish version by actress Leticia Dolera.

Finally, the other area where Boing dedicated major resources in 2017 was movies. The channel broadcast movies from Telecinco Cinema like "Capture the Flag" and "Tad, the Lost Explorer" among other well-known films. Boing placed six movies among the ten most watched on children's channels for the year, with "Home Alone" being the most watched for 2017 among children 4-12 with a 28.4% share and 313,000 viewers, "Minions" (27.6% and 277,000), "Scooby Doo 2: Monsters Unleashed" (25.2% and 233,000), "Garfield" (24 and 232,000), "How the Grinch Stole Christmas" (21.3% y 229,000) and "Rio" (24.2% y 220,000).

FOR 2017,
SUPPORT FROM
THE YOUNGEST
MEMBERS OF THE
HOUSEHOLD MADE
BOING THE LEADING
CHILDREN'S
CHANNEL ON
COMMERCIAL
TELEVISION ONCE
AGAIN.



Our international channel **CincoMAS** reaches **almost one million Spanish-speaking subscribers in the American market**



Apart from its national channels, Mediaset España is also available to Spanish-speaking viewers in the Americas through CincoMAS. The international channel increased its level of operations in 2017, expanding its footprint to such areas as the United States, Mexico and Ecuador, joining Panama, Argentina, Chile, Paraguay and Peru. Counting broadcasts in these countries together with GEE's offshore television service platform offering the signal to cruise ships and passenger ships worldwide, the number of subscribers with access to CincoMAS reached nearly a million viewers this year. Subscribers were treated to this year's most important Mediaset España productions, with special emphasis on live broadcasts. Other programmes that crossed the pond: "El programa de Ana Rosa", "Sálvame", "Viva la vida" and "Dani & Flo", among many others, in addition to Telecinco News and fictional works such as "El príncipe", "Ella es tu padre" or "La que se acerca", among others.

In addition, as part of Mediaset España, CincoMAS also took part in the company's public service campaigns, integrating the "Se buscan valientes" campaign against school bullying from 12 Meses into all its broadcasts during station breaks and public service announcements.

THE INTERNATIONAL CHANNEL INCREASED ITS LEVEL OF OPERATIONS IN 2017, EXPANDING ITS FOOTPRINT TO SUCH AREAS AS THE UNITED STATES, MEXICO AND ECUADOR, JOINING PANAMA, ARGENTINA, CHILE, PARAGUAY AND PERU.

Mediaset Spain consolidates its leadership in digital video consumption

In addition to being the audience leader in off-line consumption, Mediaset España made great strides in 2017 towards consolidating its position as the driving force behind the audio-visual digitisation process engaged in by television operators, finding itself in first place in consumer internet video for yet another year, according to data from comScore. In addition to its largest channels, Telecinco.es, Cuatro.com and Divinity.es and its live and on demand content platforms Mitele.es and Mtmad.es, new platforms such as GeneraciónPro.es were added this year, a website dedicated to development squads, and Yasss.es, with content especially directed at Generation Z and Millennials, with whom the company has increased viewership for the second consecutive year to reach first place with a monthly average of 81.1 million videos viewed, as contrasted with 59 million for Atresmedia between February and November.*

Mediaset España once again established a high level of engagement with its viewers and averaged 11.5 million unique users per month in 2017 for all its sites. Telecinco.es was again the most visited this year, with an average of 7.7 million unique visitors compared to 7.1 million for Antena3.com.

In addition, Mediaset España was the leading television group in video consumption with an average of 348 million minutes of videos viewed per month, ranking only behind Google, Openload, Facebook, VEVO and Broadband TV. With 3 hours and 53 minutes of video consumption per viewer, it was also the group with the highest engagement, compared to Atresmedia, which was below 1 hour and 37 minutes.

With regard to television content platforms, Mitele positioned itself as the leading national video consumption platform with an average of 274 million minutes of video consumed per month between February and December, exceeding Atresplayer by 60%, with an average of 161 million minutes of video consumed. At the same time, Mtmad.es reached 691,000 unique visitors in November, surpassing Flooxer by 4.5%.

Additionally, Mediaset España apps were downloaded 15.4 million times onto smartphones and tablets by year's end, with the most downloaded being Mitele (7.3 million), "Big Brother" (3.7 million), "La Voz" (1.9 million) and Mediaset Sport (700,000).

Note. Latest audited data. Source: ComScore Multiplataforma and Videometrix. Average calculated based on ComScore data. The Videometrix data only correspond to PC's. Videometrix data do not take into account the month of January as the Mediaset España data was affected by an incident outside the company.

Mediaset España revamps the design and architecture of its digital offerings to adapt to any device

All of Mediaset España's websites featured responsive web design and architecture in 2017, significantly improving the user experience through more accessible and intuitive navigation, faster downloading due to its new ability to adjust for each device from which the user connects, and with substantial improvements from a business point of view.

New websites were created with new headers that allow access to all content, from any page, anywhere, through a drop-down menu in the navigation page, one of the newest trends in web design, and with functionality that allows the menu items to be kept hidden, leaving more space to show website content.

Among embedded technological improvements are unlimited scaling, isomorphic code optimised for Google that delivers the same environment to user and server, and a more secure environment for optimised content loading in terms of time and quality. In addition to being effective, content downloading is done progressively so that users consume mobile data on demand, reducing memory overload and battery consumption for all devices.

The Mediaset España websites were also adapted to new forms of digital consumption by mobile devices, boosting vertical navigation with the "infinite scroll" system in all its content, and incorporated a new television guide with access to all television programming for all channels that informs the user of viewing options, whether live or on demand, without the need to download any app.

ALL OF MEDIASET ESPAÑA'S WEBSITES FEATURED RESPONSIVE WEB DESIGN AND ARCHITECTURE IN 2017, SIGNIFICANTLY IMPROVING THE USER EXPERIENCE THROUGH MORE ACCESSIBLE AND INTUITIVE NAVIGATION

IN ADDITION,
THIS YEAR
MITELE PREMIUM
DEBUTED WITH
THE PREMIERE
OF THE FILM “A
MONSTER CALLS”,
THE FILM WITH
THE HIGHEST BOX
OFFICE IN 2016

The new design has made it possible to improve advertising placement without adversely affecting user navigation through better integration of advertising in the information architecture. The new design offers advertising positions capable of adjusting to content and improving viewability of advertising while offering greater variety to Publiespaña customers.

Mitele, the leading television content platform in Spain

Mitele successfully met the challenge of remaining the platform of choice for live television content and the national leader among television sites in video consumption, offering more than 30,000 hours of on demand content related to programmes, series, documentaries, films and sporting events, live broadcast of all Mediaset España channels, exclusive events such as movie premieres, meetings with fans, and press conferences, among others. The Mitele catalogue is available in HD through the website www.mitele.es which, like the others, has an improved responsive web design for devices ranging from PC's to mobile devices, apps and Smart TV, and with the latest multi-bitrate technology that ensures content quality through adaptation to each user's bandwidth, with inclusion of a personal content list, parental control, and cross-device resume, among other improvements.

In addition, this year Mitele Premium debuted with the premiere of the film “A Monster Calls”, the film with the highest box office in 2016, along with more than thirty films produced by Telecinco Cinema available for rent for a period of 72 hours for copying in high definition with various online devices -computer, tablets and mobiles. The catalogue of films can be viewed without advertising and with a multi-bitrate system that adapts the resolution of the image to the viewers bandwidth. It also has a cross-device resume function, which allows the user to pause play the movie and resume from that point on a different device, in addition to parental control.

With the launch of Mitele Teens in 2017, Mediaset España also improved its content offerings for children and youth, thus serving the youngest target accustomed to multi-device consumption of audio-visual products on demand. A single platform was created for them, integrating parental control with animation series, children's films and in-house productions, available for minors according to age and content control settings previously defined by parents. All in HD, accessible from Mitele.es through its smartphone and tablet app compatible with both Android and iOS devices.



MEDIASET ESPAÑA HAS TAKEN ANOTHER STEP FORWARD IN ITS GOAL OF CONNECTING WITH THE PUBLIC, ESPECIALLY THE YOUNGEST, BY ATTENDING TO THE GROWING DEMAND FOR DIGITAL NATIVE CONTENT AND NEW ENTERTAINMENT FORMULAS ON THE INTERNET.

Mtmad, a year building digital bridges between advertisers and Millennials

The digital native content platform for Millennials, which in 2017 celebrated its first anniversary, has opened a test lab in these last twelve months for the creation of new audio-visual languages and new forms of content with which to continue connecting with audiences and advertisers.

Videogame fairs, reality blogs, festivals, urban trends, styling tips, beauty tips, digital news, rap battles, the Mediaset España backstage, esoteric rituals, street style, food markets and endless content ... There is no trend that Mtmad has missed through the on-demand formats that the channel has been progressively incorporating, doubling to more than 80 the 40 initial formats with which it was founded at the end of 2016.

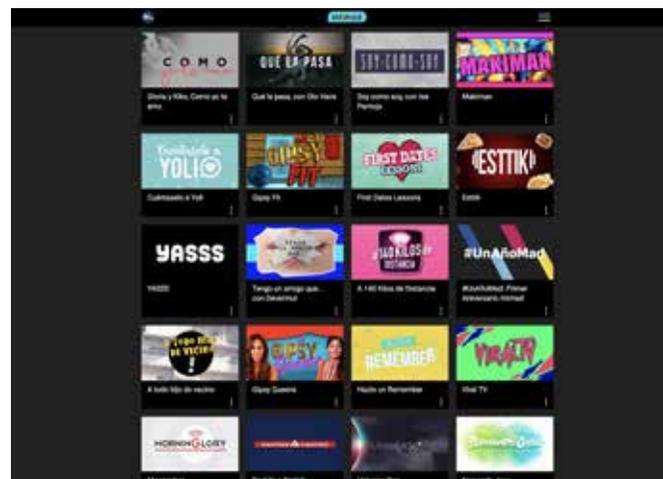
Along with these formats, featuring actual characters from TV, Internet platforms and social networks, many of them already famous and others new to the scene, streaming content has strengthened the platform, allowing presentation of live content and real time interaction with social network users. A clear example of this was the streaming of a special programme hosted by the duo of influencers “The Tripletz”, creators of the “Tripletz Challenge Deluxe”, a programme commemorating the channel’s first anniversary.

Laura Matamoros, Tania Llasera, Pelayo Díaz; Rebe, Noemí Salazar from “Los gipsy kings”, the ex-contestants of “Big Brother” Bea and Rodri, Folagor, Rubén Errebeene, Oto Vans, Cristo Rodríguez, Gloria Camila Ortega, and her boyfriend Kiko, Alyson Eckman, Ylenia, Nacho Montes, Esperanza Gracia, Aless Gibaja, Steisy, Percebes and Grelos and Mireya Marrón, among others are some of its stars.

Yasss is founded, a new website with digital content for the Generation Z

Here, Mediaset España has taken another step forward in its goal of connecting with the public, especially the youngest, by attending to the growing demand for digital native content and new entertainment formulas on the Internet. To do this, in 2017 Yasss.es launched a new independent website for Generation Z, that is, young people born in the 21st century who have never known life without the internet, accustomed to interactions through screens, and whose sources of information are concentrated almost exclusively on digital media, social networks and online communities.

For them, in adapting to their demands for information and entertainment, Mediaset España developed this new site and a streaming programme on Mtmad that shows sometimes practical and sometimes whimsical topics, but always with a very genuine style, about leisure, music, series, sex, feminism, social networks, art, trends and any topic of interest to post-millennials, in order to discover thought-provoking truths that activate the mind, inspire, and above all, entertain.



GENERACIÓN PRO, THE FIRST MEDIA OUTLET WEBSITE IN OUR COUNTRY DEDICATED TO CONTENT AND THE VALUES OF YOUTH SYSTEMS, INCLUSIVE SPORTS AND MINORITY SPORTS. IT COUNTS ON WRITING SUPPORT FROM DEPORTES CUATRO AND HAS ITS OWN VIDEO CHANNEL ON MTMAD.

Generation Pro is launched, a website dedicated to the values of youth systems

In a society that increasingly values the dedication associated with athletics, Mediaset España launched Generación Pro, the first media outlet website in our country dedicated to content and the values of youth systems, inclusive sports and minority sports. It counts on writing support from Deportes Cuatro and has its own video channel on Mtmad. This new portal is a meeting place for hidden stories of triumph, effort and solidarity in all kinds of sports disciplines that are an example for the whole community. It shows deeds forged day by day with hope and sacrifice by the young people and children who achieve them and shows their family environment up close. The website devotes a variety of spaces to different kinds of advice to train parents, educators and coaches in the not always easy task of combining sports with a child's daily routine.



Telecinco Cinema, leading Spanish cinema for the fourth consecutive year

Four premieres in different genres - an animated film; two comedies, one of them with dramatic overtones; and a psychological thriller - achieved historic success for Telecinco Cinema. The cinematographic branch of Mediaset España finished 2017 with a twin triumph in Spanish cinema, leading in national market share for the fourth consecutive year with its four film releases, the four Spanish films with the biggest audiences and box office for the year.

Total worldwide revenue for "Tad the Lost Explorer and the Secret of King Midas", "Perfect Strangers", "It's for Your Own Good" and "Marrowbone" was 49.2 million euros, a figure that represents 47.7% of the 100.2 million euro total box office achieved by the 188 Spanish new releases during the year. In addition, these four films from Telecinco Cinema managed to bring to cinemas a total of 8 million viewers, nearly half of the total audience of 16.7 million who attended movie theatres during the year.

In the current legal framework which obliges free to air television and telecommunications operators to invest in film and series production, Telecinco Cinema once again placed itself as the leading producer of Spanish cinema for the fourth consecutive year. For its part, Atresmedia Cine, with 10 releases in 2017, achieved a 29.2-million-euro box office, representing 29.2%, with 4.8 million viewers. Finally, RTVE, with more than 25 releases, garnered 15.4 million euros, or 15.3%, and 2.6 million viewers.

THE SEQUEL STARRING THE QUIRKY ADVENTURER, “TAD THE LOST EXPLORER AND THE SECRET OF KING MIDAS”, WAS A SUCCESSFUL FOLLOW-UP TO THE FIRST INSTALMENT, AND ENDED THE YEAR AS THE HIGHEST GROSSING AND BEST ATTENDED FILM IN SPAIN

Tad Jones returns to the top: the sequel becomes the most watched and highest-grossing Spanish film of the year

The sequel starring the quirky adventurer, “Tad the Lost Explorer and the Secret of King Midas”, was a successful follow-up to the first instalment, and ended the year as the highest grossing and best attended film in Spain. Directed by Enrique Gato and David Alonso and featuring Adriana Ugarte, Michelle Jenner and José Corbacho on the voiceover, it achieved 17.9 million euros at the box office and was seen by 3.2 million viewers, surpassing the first instalment “Tad the Lost Explorer” (nearly 2.8 million viewers) by almost 500,000. The film, nominated for a Goya award in the category of Best Animated Film, also ranked third in global revenues after “Beauty and the Beast” and “Despicable Me 3.”

“Perfect Strangers” takes second place

Despite its release in the last month of the year (December 1), the film directed by Álex de la Iglesia and starring Ernesto Alterio, Juana Acosta, Eduard Fernández, Dafne Fernández, Eduardo Noriega, Belén Rueda and Pepón Nieto took second place among Spanish films, taking in 14 million euros by the end of the year and exceeding 2 million viewers. In addition, it appeared in the Top 10 of the highest grossing national and international movies, occupying ninth place





“It’s for your own good”, in third place

Since its February debut, the comedy “It’s for Your Own Good”, directed by Carlos Therón and starring Jose Coronado, Javier Cámara and Roberto Álamo, became one of the highest grossing and best attended Spanish films of the year, placing third with 9.5 million euros and 1.6 million viewers, and was the fourteenth highest grossing movie of the year among national and international releases.

Fourth position for “Marrowbone”, Sergio G. Sánchez’ feature film directorial debut

Telecinco Cinema finishes its string of hits with “Marrowbone”, the debut feature film by Sergio G. Sánchez, nominated for a Goya for Best New Director and taking fourth place in revenue with 7.3 million euros and 1.2 million viewers. With J.A. Bayona as executive producer, this psychological thriller has a cast of international actors Anya Taylor-Joy, George Mackay, Mia Goth, Charlie Heaton, Matthew Stagg and Kyle Soller.

Telecinco Cinema, behind 13 of the 20 highest-grossing films in the history of Spanish cinema

After capturing the majority of viewers’ attention in 2017 with its four releases, Telecinco Cinema ended the year with a total of 13 productions among the 20 highest grossing films in Spanish cinematic history (ICAA source), after adding “Tad the Lost Explorer and the Secret of King Midas” and “Perfect Strangers”.

	Feature Film	Release	Revenue	Audience
1	SPANISH AFFAIR	2014	55,379,947.62 €	9,397,647
2	THE IMPOSSIBLE	2012	42,408,546.61 €	6,129,025
3	SPANISH AFFAIR 2	2015	35,481,514.94 €	5,693,197
4	THE OTHERS	2001	27,254,163.38 €	6,410,561
5	A MONSTER CALLS	2016	26,478,940.00 €	4,618,065
6	THE ORPHANAGE	2007	25,061,449.98 €	4,420,636
7	MORTADELO & FILEMON: THE BIG ADVENTURE	2003	22,847,733.13 €	4,985,983
8	TORRENTE 2	2001	22,142,173.13 €	5,321,969
9	AGORA	2009	21,391,197.61 €	3,492,572
10	THE SEA INSIDE	2004	19,837,472.83 €	4,099,442
11	TORRENTE 4	2011	19,356,588.23 €	2,632,922
12	TAD, THE LOST EXPLORER	2012	18,211,373.53 €	2,761,509
13	TORRENTE 3. EL PROTECTOR	2005	18,168,924.78 €	3,575,759
14	TAD THE LOST EXPLORER AND THE SECRET OF KING MIDAS	2017	17,916,512.00 €	3,227,171
15	PALM TREES IN THE SNOW	2015	17,048,738.61 €	2,698,417
16	ALATRISTE	2006	16,715,741.56 €	3,182,491
17	EL NIÑO	2014	16,203,713.45 €	2,757,138
18	CELDA 211	2009	13,145,423.48 €	2,129,571
19	PERFECT STRANGERS	2017	12,988,189.00 €	2,014,745
20	THE OTHER SIDE OF THE BED	2002	12,616,656.38 €	2,826,156

**MEDIASET ESPAÑA'S
FILM SUBSIDIARY
HAS PRODUCED THE
HIGHEST GROSSING
SPANISH FILM IN
10 OF THE LAST 16
YEARS.**

In addition, Mediaset España's film subsidiary has produced the highest grossing Spanish film in 10 of the last 16 years, including the last four, with "Spanish Affair" (2014), "Spanish Affair 2" (2015), "A Monster Calls" (2016) and "Tad the Lost Explorer and the Secret of King Midas" (2017).

Independent Producer of the Year

The culmination of all of the work carried out by Telecinco Cinema since its beginning was recognised in 2017 with the award of the CineEurope Independent Producer of the Year Award, adjudicated by the International Union of Cinemas (UNIC), which represents exhibitors and their national associations on the European continent. The award was given to the Mediaset España film subsidiary "whose achievements in the last two decades have made it one of the great film studios not only in Spain but also in Europe," said Andrew Sunshine, vice president of the Film Expo Group, organiser of the annual UNIC convention where the awards were presented.

Telecinco Cinema joins an extensive list of outstanding distributors and exhibitors worldwide recognised by CineEurope, which includes such heavyweights as James Cameron, Guillermo del Toro, J. Bayona, Jerry Bruckheimer and Antonio Banderas.



A drama, a blockbuster and a comedy, projects that have finished filming and will debut in 2018

A drama, a blockbuster starring a popular Spanish superhero, and a comedy are the three new Telecinco Cinema projects that completed filming in 2017 and will reach movie theatres during 2018.

Directed by Norberto López Amado and starring Belén Rueda, "El cuaderno de Sara" will be the first release of the film arm of Mediaset España. With a script by Jorge Guerricaechevarría ("To Steal from a Thief", "El Niño"), it has a cast that includes Manolo Cardona, Marian Álvarez, newcomer Ivan Mendes, and Nick Devlin, as well as special appearances by Marta Belústegui and Enrico Lo Verse. With an eight-week shoot in the Republic of Uganda and the island of Tenerife, the action focuses on Laura's search for her sister Sara, lost in the middle of the Congolese jungle. The appearance of a photo in a mining town pushes Laura to start a dangerous journey to the heart of Africa.

"Yucatán" will become the second release from the Telecinco Cinema factory. Directed by Daniel Monzón and with a story that takes place on a cruise, this comedy has an ensemble cast led by Luis Tosar, Rodrigo de la Serna, Stephanie Cayo, Toni Acosta, Joan Pera, Gloria Muñoz and Agustín Jiménez.

Finally, "Superlópez" will be the third release of 2018, a great adventure centred around the classic Spanish superhero brought to life by Dani Rovira, leading a cast directed by Javier Ruiz Caldera and joined by Alexandra Jiménez, Julián López and Maribel Verdú.

In addition, in 2017 Telecinco Cinema completed filming for "Ola de Crímenes", which is in post-production. Directed by Gracia Querejeta, this action comedy features Maribel Verdú starring in a cast that includes Paula Echevarría, Juana Acosta, Raúl Arévalo, Antonio Resines and Raúl Peña, with special guests Luis Tosar and two young talents, Asier Ricarte and Miguel Bernardeau.

THE MARKETING OF CONTENT FOR VOD PLATFORMS, OTHER CHANNELS, AND MEDIA TRIUMPHED IN NEW TERRITORIES IN 2017, ADDING NEW AUDIENCES IN MORE THAN 140 COUNTRIES AROUND THE WORLD

Mediaset España brands, income beyond advertising through business development

Mediaset España monetised its brands through comprehensive management business opportunities available because of our channels, programmes, events and talent, with the collaboration of our business partners and suppliers. We have worked together to carry out the development and marketing of products with tie-ins to our film, fiction and entertainment content; the sale of content and rights; and in the music and publishing business, among other lines.

Mediaset España content, now available in 140 countries

The marketing of content for VOD platforms, other channels, and media triumphed in new territories in 2017, adding new audiences in more than 140 countries around the world where it is available through its productions and adaptations of our programmes.

Mediaset España has signed content agreements with the main SVOD platforms such as Netflix, Amazon Prime Video and HBO; has entered into agreements with platforms in Latin America, Mexico and the USA, with Amazon Prime Video and Flow, and has renewed agreements with Claro and Blim, the SVOD platform of the Televisa group. In Latin America, DirecTV continues to bet on Mediaset España content through its OnDirecTV payment television platform, as well as the premium channel Europa, part of the AMC group. 2017 was also a great year for the Transactional Video on Demand (TVOD) business with extensive online rental of Telecinco Cinema hits.

Mediaset España continued to aggressively grow international sales of programming rights. Of special note was the success of the series “Sé quién eres”, sold in 60 territories, and “El Chiringuito de Pepe”. In addition, we signed our first agreement with National Geographic for broadcast of the series “Cabo Vadillo” in the United States and for production in Italy of “Mi casa es la tuya”.

Music promotes multimedia strategies

Mediaset España has once again become the communication group of choice for major labels to distribute new releases, with exclusive agreements for the promotion of artists such as Pablo Alborán, Alejandro Sanz, Sergio Dalma, Melendi, Malú, Fito & Fitipadis, Vanesa Martín, Julio Churches, Ed Sheeran, Shakira and Diana Krall, and others. The company introduced new musical content to support ad campaigns for the release of some of our programmes.

At the same time, important music placement initiatives were put in place for video content; of special note was “Todo es posible”, performed by David Bisbal and Tini, which appears in “Tad the Lost Explorer and the Secret of King Midas”, and whose video clip accumulated more than 20 million views on digital platforms.

Mediaset España reached agreements for the release of albums by artists such as Rosario, Vanesa Martín and Alejandro Sanz, commemorating the 20th anniversary of the legendary album “+” along with a CD of the historic concert. Outstanding artists such as Pablo López, Malú and Niña Pastori have also chosen our broadcasts and websites at Mediaset España for the exclusive debuts of their new works.

Grupo Editorial Telecinco (GET), the musical publisher of Mediaset España, and Mira Mi Música (MMM), its commercial brand, continued their transformation with a policy of transparency in relations with musicians, composers and management companies, and our passion for supporting local talent, with the result that the company worked with authors and artists such as David Bisbal, Tini, Juan Carmona, Josemi Carmona, Antonio Canales, Rafa Blas, Farruquito, Teo Carralda, Raimundo Amador, Jorge Pardo and Javier Hill, among others; as well as with the great soundtrack composers who make our great national and international cinema and television even greater: Fernando Velazquez, Zacarias Martinez de la Riva, Laura Durand and Arnau Bataller, among others.

GET, the leader in background music production, began a technology project that will allow more agile access to all music for video productions and better service to musicians and composers in their relationships with Mediaset España, as well as a pioneering system for the exchange of documentation with the SGAE and other rights management entities, in order that the best Mediaset music is available on all digital platforms.

Merchandising, licenses, tie-ins and events with the DNA of Mediaset España

Mediaset España enters homes not only through screens, but through a series of products and events derived from its content, such as magazines, video games, records, concerts, exhibitions, household items, appliances, decoration, books, apps, board games and food products, among others.

For a sixth consecutive year, “La Voz” was one of the top brands in business results, with a line of musical instruments and an official karaoke microphone, with Spain being the first country to license this product, as well as an official perfume. Together with them, Mediaset España launched “Gana con tu voz”, a joint event with the programme cast that toured 14 cities and in which more than six thousand contestants registered, one of them becoming a finalist. Another pioneering programme was “Cuarto Milenio”, which continued its tour through Spain with “Exposición del programa” and “Las Noches del Misterio” with Iker Jiménez and Carmen Porter, appearing since 2015 in a total of 16 Spanish cities and attracting more than 220,000 visitors.

Another goal was licensing for “Mi Casa Es La Tuya”, with products such as a corkscrew set, home air fresheners, a set of knives, and a 2 CD music set, which have placed its licensing tie-ins among the most successful in television. Same for products arising from “First Dates”, among them the book “El método First Dates” with sure fire tips for success on a first date. The official programme app allows users to access the cast, contact other users and, the most innovative: meet those former contestants who have not found love. To end the year with a toast, in December the First Dates frizzante arrived at the restaurant.

Mediaset España launched a passbook savings plan under the Boing brand with a banking entity and renewed its license agreement with Simba Iberia for the Boing Boing game.

In newsstands, along with Boing magazine, the Divinity Fashion Collection spent another year as a fundamental pillar of the channel in terms of licenses with an average monthly circulation of 100,000 copies and more than 430,000 readers per month, twice that of the second-place fashion and beauty magazine and ranking as the 4th women’s magazine in all of Spain (data from EGM 3rd 2017).

In the publishing field, “Mil Palabras & +” from Cuatro continues to be one of the most outstanding literary influences on television, along with the works of Mediaset España writers such as Carme Chaparro, winner of the Premio Primavera de Novela in 2017 with “No soy un Monstruo”; Sonsoles Ónega with “Después del Amor” and Carlota Corredera with “Tú también puedes”, among others.

As for Mediaset España series, the two great phenomena of national fiction for the year presented magnificent opportunities to transfer on screen success to development of derivative products as in the case of “Sé quién eres” (Premio Ondas and the MIM Award 2017), with publication of “La última palabra de Juan Elías”, written by crime author Claudio Cerdán; and the adventures of the residents of Montepinar “La Que Se AVECINA” which translated its success to an online store, www.camisetaslaqueseavecina.es, in its tenth season with official series shirts and an upcoming special edition of Monopoly.

The 2017 productions of Telecinco Cinema deserve special mention. “Tad Jones”, saw important placements and licenses in its new release, including three tourist destinations (Granada, Turkey and Peru) and an airline, as well as a variety of products from different sectors --publishing, toys, leisure, education, music and electronics-- in addition to production of the first stage play with the famous character. “Marrowbone” opened, accompanied by a fictionalised version of the film written by director Sergio G. Sánchez, with a prologue by J. Bayona and an epilogue by Gustavo Martín Garzo. Also, “Perfect Strangers” presented a great opportunity to ink global deals with various brands that have accompanied the project since its beginning, such as a technology and telephony company, a winery and a granite countertop company.

IN NEWSSTANDS, ALONG WITH BOING MAGAZINE, THE DIVINITY FASHION COLLECTION SPENT ANOTHER YEAR AS A FUNDAMENTAL PILLAR OF THE CHANNEL IN TERMS OF LICENSES, WITH AN AVERAGE MONTHLY CIRCULATION OF 100,000 COPIES AND MORE THAN 430,000 READERS PER MONTH

MEDIASET ESPAÑA ENTERED HOMES NOT ONLY THROUGH SCREENS, BUT ALSO THROUGH A SERIES OF PRODUCTS AND EVENTS DERIVED FROM OUR CONTENT

To wrap up our licensing activities, it is worth noting that once again the Commercial Development Department has made our programme brands available to advertisers. This has meant new branding agreements with large jewellery advertisers on “The Voice”, restaurateurs on “First Dates”, and automobiles on “Cámbiame”.

“Mi Tienda Mediaset”, “Taquilla Mediaset” and “Más Que Coches Renting”, the development of digital business e-commerce

The development of digital business and e-commerce have been a strategic asset in the activities of Commercial Development Management, on the one hand promoting existing brands linked to online commerce, such as Mediaset Box Office and Mi Tienda Mediaset, and on the other, incorporating new lines such as “Más Que Coches Renting”.

In an environment in which the automotive sector is constantly growing, Mediaset España has launched this new online vehicle rental platform aimed at individuals, closely linked to “Más Que Coches”, the iconic Telecinco car programme. Along with this new line of e-commerce, Taquilla Mediaset was recognised as one of the most important ticketing websites in our country with the backing of Ticketmaster, at the same time that the television show Taquilla Mediaset became synonymous with event schedules on television. This year, the sales website closed deals with more than thirty promoters to market and promote more than 50 different musical and theatrical events.

2017 was also the year in which Taquilla Mediaset became the ideal partner for the musicals that fill the billboards of our country. Promoters of shows such as “The Bodyguard”, “The Addams Family”, “The Hole Zero”, “Dirty Dancing” and “Cabaret” depended on their alliance with Mediaset España, while we began to actively collaborate with theatres in Madrid and Barcelona to promote their work.

Mi Tienda Mediaset, (www.mitiendamediaset.es), the website where all the official products of Mediaset España are available, underwent an important redesign and update this year, adapting it fully to technological standards that mark the leaders of the sector. Now, with three simple clicks it is possible to buy any product from its extensive catalogue from a mobile phone, a selection which continues to expand by incorporating all the new products developed from the Commercial Development.

In taking advantage of the high social impact potential of Mediaset España, the company closed placement deals on social networks, bringing every new release to our users, accompanied by specific loyalty builders like competitions where Mediaset links its brands to experiences or unique products, resulting in an exclusive combination of added value highly appreciated by Mediaset users.



THE COMPANY CLOSED PLACEMENT DEALS ON SOCIAL NETWORKS, BRINGING EVERY NEW RELEASE TO OUR USERS, ACCOMPANIED BY SPECIFIC LOYALTY BUILDERS LIKE COMPETITIONS WHERE MEDIASET LINKS ITS BRANDS TO EXPERIENCES OR UNIQUE PRODUCTS

ATLAS, THE AUDIO-VISUAL NEWS AGENCY OF MEDIASET ESPAÑA, ONCE AGAIN PROVED TO BE THE LEADING COMPANY IN VIDEO NEWS PRODUCTION, WITH A VOLUME OF MORE THAN 3,000 MONTHLY NEWS BROADCASTS

Atlas, the best daily news and audio-visual production services offerings

2017 presented a demanding information environment that challenged the main news agencies and content and information services providers. It was a crucial year in which Atlas, the audio-visual news agency of Mediaset España, once again proved to be the leading company in video news production, with a volume of more than 3,000 monthly news broadcasts, covering the main events of the year: the governmental crisis in Cataluña with the referendum, the declaration of independence, the application of Article 155, the subsequent imprisonment of those responsible and the Catalan elections, among other matters related to the “procès”; the ISIS attacks in Barcelona and Cambrils, London, Manchester, Stockholm and Paris; the disarmament of ETA, the PSOE primaries, the appearance of President Rajoy in the Gürtel trial, the sentence in the Noos case, the resignation of Esperanza Aguirre, the trial of the Palau case, the suicide of Miguel Blesa, the arrest of the president of the FEF Ángel María Villar, the exhumation of the remains of Salvador Dalí, the accidental death of Ángel Nieto, Cristiano Ronaldo’s indictment for tax fraud, the fires in Galicia, the trial of “la manada”, the death of the Attorney General, the arrest of the alleged murderer of Diana Quer, and much more news.



Atlas also covered the main sporting events during the year. The Eurobasket tournaments held in Romania, Israel, Turkey and Finland, the Champions League with special coverage of the final between Juventus and Real Madrid in Wales, La Liga, the Copa del Rey, the Spanish Super Cup, the European Under-21 football competition in Poland; and of course, the main daily news in the world of sports.

As for its news agency, Atlas remains the leader in audio-visual news. National, international, regional, local, and online media channels and producers rely on it every day to edit their news programmes, updates and web newscasts. Its more than 120 subscribers receive the main news occurring in Spain and abroad every day. A service with different thematic blocks: Spanish news, international news, sports, regional news and commentary, Atlas offers its subscribers a daily total of more than 100 items per day and a complete archive service.

In the international market, the news service Spanish Video Reports continues to consolidate itself among Spanish-speaking digital media in America, with more than 300 video news items distributed per month among subscribers to this service.

From our Broadcast Services area, we coordinate more than 1,000 live connections monthly for national and international television, regional and local channels, digital media and live social video streaming platforms. During 2017, special reporting by Atlas during the crisis in Cataluña and the August attacks in Barcelona and Cambrils stood out. More than 100 professionals covered national and international news for clients such as CNN, who trusted us for 72 straight hours of live coverage of the attacks. Sky News, RTL Germany, RAI, Caracol TV and IHA are some of the international media that also chose us to provide technical and production services to cover global news.

AT THE INTERNATIONAL LEVEL, ATLAS CONTINUES TO BE A BENCHMARK PROVIDER OF BROADCAST SERVICES FOR COMPANIES SUCH AS THE BBC, WHICH HIRED ITS SERVICES FOR ITS SPECIAL COVERAGE DUE TO THE ELECTIONS IN THE UNITED KINGDOM.

At the international level, Atlas continues to be a benchmark provider of broadcast services for companies such as the BBC, which hired its services for its special coverage due to the elections in the United Kingdom.

Beyond its breaking news services, it was also the agency in charge of producing live events such as the BBVA Foundation's Frontiers of Knowledge Awards; offered live streaming of a day's of shooting the movie "Superlopez" on Mitele; produced Hewlett Packard Enterprises' presentation in "Discover 2017 Madrid" from IFEMA; produced and streamed "Dulceweekend" with the influencer Dulceida and recorded and produced the show "Luce tu pueblo" for Divinity, among others.

Working within Mediaset España, Atlas carried out the entire production for one more year of Informativos Telecinco, Noticias Cuatro and "Las Mañanas de Cuatro", gave production support to programmes such as "El Programa de Ana Rosa", "Sálvame", "Sábado Deluxe", "Viva la vida" and "El Programa del Verano", among others. It also carried out business and advertising productions through close collaboration with Publiespaña and its customer network.

Finally, Atlas grew its client base in audio-visual communication services aimed at companies and institutions that require the collaboration of a company specialising in audio-visual production to carry out their communication strategies. Production of corporate and institutional videos, development and distribution of video communications, and development of live events are some examples of production and communication services offered to clients such as BBDO Proximity agency (events for Skoda and Renault), Fly me to the moon (events for Lidl, Vueling, Kaiku and Barceló), Havas (El Almendro Foundation and Divina Pastora Seguros), HK Strategies (Solvía), Lewis (Samsung), L'Oreal, Sigla Comunicación (Audi) and Tingle (Font Vella), among other clients.



MEDIASET ESPAÑA CONTINUES CONTRIBUTING, YEAR AFTER YEAR, TO THE SUPPORT OF IMPORTANT SOCIAL, ETHICAL AND ENVIRONMENTAL CAUSES.

Entertainment, information and social commitment

Mediaset España continues to lend support to important social and environmental causes through broadcasting, helps with the collection of funds for NGOs, and offers itself as a platform for the dissemination of messaging that promotes coexistence, equality, environmental protection and health, and others. The main causes supported by Mediaset España in 2017 were:

World Pride 2017

Mediaset España joined the 2017 World Pride celebration. From June 24 to July 2, the Telecinco, Cuatro, Divinity, BeMad and Mtmad channels offered specific content about the event that took place in Madrid.

An LGTB final round on “Pasapalabra”; Pride Night on “First Dates”; the debut of the “Diversity” ad campaign and “Pride Cazamariposas” on Divinity; as well as specials from “Conexión Samanta” about transsexuality on BeMad and thematic videoblogs on Mtmad, were some of the content created and broadcast for World Pride 2017.

Early detection of breast and prostate cancer

In 2017, a campaign was launched to raise awareness about the early detection of breast and prostate cancer. With the collaboration of the Spanish Association Against Cancer, four animated pieces that addressed the importance of prevention of the disease were broadcast touching on four areas: early diagnosis, hereditary factors, physical exercise and healthy eating.

Organ Donation

The spot “Celebrate life. Celebrate that you are perfect for others”, part of the “Eres perfecto para otros” campaign promoting organ donation, hosted by María Gómez and Florentino Fernández.

Rare diseases

From November 30 until the end of 2017, a spot by Fundación Querer was shown supporting the project “El cole de Celia y Pepe”, whose objective is the creation of specialised educational centres for children with rare diseases.

Energy efficiency

Mediaset España and Gas Natural joined forces in 2017 to raise awareness about responsible energy consumption through the broadcast on all channels of “Proyecto Tiempo”, a futuristic science fiction feature film in four parts (four short films, three of them released in 2017) with a cast of actors famous with the Spanish public. This film is part of “CINERGÍA”, a film project directed by Isabel Coixet.

Against Bullying

On 2 May 2017, the Telecinco and Cuatro news programmes along with “El Programa de Ana Rosa”, “Cazamariposas” and “Sálvame” supported the event “Valientes contra el acoso”, organised by the government of Aragón and Mediaset España, coinciding with International Day against Bullying. About 1,600 young people from 80 public primary and secondary schools and their teachers participated in the event designed to help discover the keys that will turn them into authentic “super-heroes” against bullying.

International Women's Day

Mediaset España and the NIVEA brand launched the “Te atreves a ser tú” campaign on International Women's Day (March 8). It was aligned with women's struggle for equality in social, economic and political spheres through different sponsorship spots during the “Día de seis comunicadoras” at Mediaset España, in programmes produced by Telecinco.



Information Programmes

In 2017 Mediaset España's information programmes contributed to awareness of important social and environmental problems, offering in-depth coverage oriented to public service. These are the main issues addressed:

Gender equality

- Distribution of the Mediaset España's initiative "Con la trata no hay trato" against the organised crime syndicates that force women into prostitution.
- Coverage of cases of gender violence and the reality of the women who come forward, and criticism of the judicial, police and social institutions that leave victims unprotected. All this always with objectivity and respect for the people involved. In addition, all material related to the mistreatment of women included the telephone number for battered women 016.
- At the beginning of October, complaints of sexual harassment against Harvey Weinstein came to light and a powerful movement called "ME TOO" against this type of behaviour began, becoming a widespread demand for equality. These facts and others which contributed to the debate in Spanish society were reflected and explained in the Mediaset España news.

Organ Transplant

Mediaset España and the Organización Nacional de Trasplantes continued their collaboration to promote organ, tissue and bone marrow donation. In 2017 several reports were issued explaining to citizens how to become a bone marrow donor and reflecting the reality of donors and recipients, with a special focus on children waiting for a transplant.

Cancer

Distribution of information about patients' experiences and advances in biomedicine as well as positive messages and solidarity from associations dedicated to cancer, especially childhood cancer.

Traffic campaigns

Coverage of campaigns from the DGT, Mapfre Foundation, RACC and highway and victim's associations to promote road safety. Discussion of legislative changes and awareness-raising especially aimed at young people regarding the danger arising from the consumption of alcohol and drugs.

Energy poverty

Visibility and voice to the families that suffered power cuts due inability to pay their bills in 2017, as well as those who lost loved ones from home fires caused by the use of grills and candles due to lack of electricity.

Food collection

In December, we supported the Federación de Bancos de Alimentos in distribution of a large amount of food.

Water Conservation

Given the general lack of rain, Mediaset España's news programmes focused on the drought problem and offered viewers various reports explaining how to save water.



Loves that hurt

“Loves that hurt” shows real cases of victims of gender violence. Each season addresses this problem from different perspectives, sensitising the viewer about the scope and reality of gender violence and addressing prejudices and preconceived notions.

In 2017, its third season focused on eight cases of gender violence among adolescents and the fourth season will address cases in different population areas, both in cities and rural areas and within all social classes.

Pasapalabra

The programme “Pasapalabra” takes advantage of the content and dynamics of the contest to support and spread various social and environmental causes:

- Celebration of Día del Libro and support of the Spanish Committee ACNUR by raising funds during the contest.
- Celebration of International Recycling Day and fundraising for the World Wildlife Fund.
- Tips and information to make viewers aware of the need to save energy.
- Christmas. The game show dedicated time to giving a voice to various NGOs and show their work, namely Fundación Querer, the Asociación Duchenne Parent Project, the Foundation Against Pulmonary Hypertension and the Share a Coffee organisation.

Cámbiame

In 2017 the programme supported the cause of the 300,000 stolen children in Spain and managed to reunite a mother and her daughter after 36 years. After the appearance of the young Mai Álvarez on the programme looking for her biological mother, the programme team began an investigation that concluded with locating the mother and their reunion.

Sálvame

Throughout 2017 the programme and its collaborators supported various organisations and the causes they promote:

- For months the programme created the “Gran Pinacoteca Sálvame”, with 13 works of Spanish masters embodied by collaborators and hosts, painted by the artist Antonio Decinti. The paintings were auctioned for charity and the money was distributed to organisations chosen by the programme collaborators:
 - BAASGALGO (Rescue of abandoned dogs).
 - Association from Cádiz “Yo me uno al retto” (Research on Rett Syndrome).
 - Nico against childhood cancer.
 - Mensajeros de la Paz (Help for people at risk of social exclusion).
 - Fundación Nido (Children with cerebral palsy).
 - AFIBROM (Association of Fibromyalgia, Chronic Fatigue Syndrome and Multiple Chemical Sensitivity of the Community of Madrid).
 - Fundación Bobath (Aimed at people with cerebral palsy).
 - TORRAFAL (Association of Alzheimer Patient Relatives of Torrejón de Ardoz).
 - A.E.C.C. (Spanish Association for the Fight against Cancer).
 - Fundación Aladina (Support for children with cancer and their families).
 - Fundación Ramón Grosso (Children and young people with any type of disability or risk of social exclusion).

- ASCOPAS (Non-profit Association of Parents and Caregivers of the Mentally Handicapped in towns of Abarán, Blanca, Ricote and Cieza in Murcia).
- ADANER (Association dedicated to Anorexia Nervosa and Bulimia).
- Promotion of the “Nico against childhood cancer” calendar for 2018, to fight against childhood cancer.
- On 1 February 2017 World Greyhound Day was celebrated with an example of the breed on set.
- Belén Esteban wore a special shirt on 28 February for Rare Diseases Day, with the aim of raising money for the Fundación Querer, dedicated to education and research for children with rare diseases.

Me lo dices o me lo cantas

The contestants who won each episode of this show dedicated to dance and music donate 3,000 euros to an NGO or charity of their choice.

In 2017 the beneficiary entities were the Fundación Barraquer (free cataract operations for the poor), the Asociación El Olivar (shelters for young people), Acción en Red, Spanish Red Cross (specifically the programme to fight juvenile cancer), Dent’s Disease research, Asociación Ángeles Malaguñeros de la Noche (which feeds the poor) and the Ronald McDonald House.



Héroes, más allá del deber

“Héroes, más allá del deber” is a reality programme which shows the daily life of five professionals whose job it is to help others. During its broadcasts in 2017, it promoted various causes:

- Help for children with cerebral palsy by raising funds through a firefighter’s calendar, the proceeds were used to purchase a device that will improve a girl’s mobility.
- Dissemination and awareness of gender violence through Yohanna Alonso, who gives self-defence classes to women who are victims of gender violence.
- Normalisation of LGTB people. Julio Armas tells the story about how he had to learn to accept himself and accept that he was homosexual.
- Information against drug trafficking and consumption through the broadcast of police operations that take place in Línea de la Concepción.
- Help in the promotion of the Hogar Betania association, which offers shelter for the homeless and helps families and children at risk of social exclusion.

Volando Voy

“Volando Voy” focuses on conservations about ecosystems and protection of the environment. In 2017, various environmental issues were highlighted:

- In the Basque Country, the problem of plastic in the oceans was described and tons were collected from beaches, informing the audience of the need to reduce their use and recycle.
- In Mar Menor, organic farming that does less harm to the sea was promoted.

- In the Grazalema episode, a crowd of people gathered to collaborate in the replanting of pinsapar firs, calling attention to the effects of climate change.

Planeta Calleja

In 2017 “Planeta Calleja” promoted awareness of climate change, species protection in their natural habitat, and respect and care for nature. These topics were dealt with in a special way in:

- Interview with the director of the Norwegian Polar Institute to learn the effects of climate change and how it affects us in a global and personal way, raising awareness about possible solutions.
- In South Africa, species conservation, the fight against poaching in the country’s nature reserves, and equality and coexistence among different ethnic groups were addressed.
- In Chile, the effects of climate change on glaciers in Patagonia were shown.
- In Morocco, the role of women in the Islamic world was explored.

En el Punto de Mira

Eye-opening reports and in-depth journalism are the hallmarks of this programme that in 2017 addressed some issues of particular social interest:

- Panga: it has become clear that this fish has no nutritional value and after broadcast of the report some large vendors stopped selling it.
- Ox meat fraud: the programme showed how almost all beef sold as ox meat really wasn’t, and was instead regular beef.

- Bluefin Tuna: the programme showed that fish sold as bluefin tuna really was not.

- Surrogate motherhood: the programme travelled to Ukraine to show how many mothers who rented their wombs did so out of financial necessity. In December, the Spanish State advised against Ukraine as a country to find surrogate mothers.

Espíritu Salvaje

This reality programme shows the experiences of a couple and their two young children while they travel around the world, discovering unspoiled areas and the people who inhabit them. Its primary objective is sustainability awareness and respect for animals.

A toda pantalla

In 2017 the first television programme recorded entirely with smartphones was broadcast. Produced by Mediaset España in collaboration with Prisa TV and with the sponsorship of LG, the programme took a step forward integrating new technologies in its format, both in its recording form and in its narrative, in which social networks were heavily involved, along with different communication formulas such as videoconferences, chats and video reports.



In 2017 the BeMad channel broadcast special programmes in support of various causes which raised awareness among the audience. These were the main ones:

- **“Eres perfecto para otros”**: on 15 July 2017 the channel broadcast the documentary film “The Interpreter”, which tells stories of people linked in one way or another by organ transplant. In addition to this broadcast, the channel incorporated titles related to organ transplants throughout the night.
- **Rising Nepal**: in memory of the earthquake that devastated Kathmandu (Nepal) in 2015, the documentary directed by M. Ángel Tobias was broadcast in which he gives voice and recognition to several surviving victims marked and united by the earthquake, who overcame fear and suffering to discover hope.
- **Conservation of native species in serious danger of extinction**: for the new show “Río Salvaje en Gondwana”, a series of broadcasts about animals including “The Wild life of Tim Faulkner” and “Veterinarian to the rescue” were shown, a “Planeta Calleja” marathon, the “Cuarto Milenio” special dedicated to Felix Rodríguez de la Fuente and all the episodes of the first season of “Río Salvaje”.
- **World Environment Day: under the slogan “Conectar a las personas con la naturaleza”**, a series of special “Callajero Viajeros” episodes were broadcast covering wild natural places such as Papua, Ethiopia and Tanzania, among others. The programme ended with a “Río Salvaje” marathon of all its episodes.
- **World Oceans Day**: the programmes “Callejeros: Atlántico”, “Callejeros Viajeros: Océano Ártico, Groenlandia”, “Callejeros Viajeros: Océano Atlántico, Barbados, el Lujo del Caribe”, “Callejeros Viajeros: Océano Índico, Madagascar”, “Callejeros Viajeros: Océano Pacífico, Taití y Bora”.
- **International Food Day**: all the reports of “En el Punto de Mira” dedicated to food were broadcast. The work of

Río Salvaje

The second season of the programme presented by Kike Calleja contributes to the defence of biodiversity. “Río Salvaje” travelled to the Gondwana nature reserve in South Africa and toured different parts of Spanish geography showing various animal species and publicising the daily work carried out by conservationists to preserve them.

Convézneme

“Convézneme”, as a programme dedicated to books, did important work promoting reading, highlighted at second season start on 23 April 2017 with a special commemoration of International Book Day.



Between June and August, Mediaset España's children's channel broadcast a series of pieces where characters from the channel transmitted messages about healthy habits and positive values, good manners and care of pets.

In addition, Boing added one more year of the charity race “Perrotón Spain”. The channel was at the race held in Madrid on 15 October 2017 and, for the first time, at the one held in Marbella on 28 May. Perrotón allocates 30% of participants' registration fees to the National Non-Profit Association Perrotón, which regularly collaborates with low-income female caregivers.



Throughout the year the Divinity channel collaborated in the broadcast of various charitable events, among which were:

- **XXI Cadena Dial Awards**. The gala donates part of its proceeds to ASPRONTE, an NGO focused on improving the quality of life of people with intellectual disabilities and their families.
- **Charity Concert “La noche de Cadena 100” on behalf of Manos Unidas**. The Fratelli Association welcomed refugee children who have been out of school for several years into the classrooms of its centres in Sidon and Beirut. The funds raised at this event were directed to improving access to socio-educational services for these children in the towns of Rmelieh and Bourj Hamoud.
- **Cadena 100 “Por Ellas” charity concert**. Musical event to benefit the Spanish Association Against Cancer (AECC).
- **XI Edition of the Los 40 Music Awards concert**. This musical gala donated part of the proceeds from ticket sales to the adEla Association (Spanish Association of Lou Gehrig's Disease), a non-profit organisation focused on improving the quality of life of people affected by this disease.

A platform for a better society

Mediaset España has a substantial presence on the Internet with all kinds of formats and content. The company also uses its success on the web to promote social and environmental causes of interest to society as a whole.

Protection of the natural environment

News from Telecinco and Cuatro

- International Day for the Preservation of the Ozone Layer  
- World Oceans Day ,
 - World Oceans Day, the misdeeds that kill our seas  
 - The great catastrophes in the oceans  
- World Environment Day
 - “Governments are the main violators of environmental legislation”  
 - One must replace “Don’t litter” with “Don’t consume trash in the first place”  
- World Earth Day
 - World Earth Day: Spain joins the march of Science 
 - The world celebrates Earth Day 
- Earth Hour
 - Earth Hour: Ten years turning off the lights against climate change 
 - Ten years turning off the light against climate change (News video) 
 - 200 cities in Spain join Earth Hour and turn off their lights for the climate 
 - “Let no one stop you”, the theme chosen for 2017 (video)
 - Clara Lago joins Earth Hour  • Imagine a world where we stop climate change 
 - Telecinco News turns off the lights in #horadelplaneta (video) 
- International Day of Forests
 - Let’s take care of the World’s lungs  
- Weather today
 - The “Explorer” blog urges us to take care of the planet and criticises the melting of the Arctic and the Antarctic ice caps. 
 - No to Climate Change 
 - Jorge Morales and his work on saving energy    
 - Sun Tax 
 - Reforestation 
 - Use the bike more  

Mtmad

- Awareness of animal rights
 - LA VIDA PERRACA channel 

In 2017, programmes on Telecinco and Cuatro News such as the weather programme “El Tiempo Hoy” and the digital content of Divinity and Mtmad in this area stand out. Protection of the environment, defence of gender equality and support of different groups such as LGBT, as well as the promotion of healthy lifestyles, were the topics with the greatest coverage.

Equality and integration of groups at risk of exclusion

Mtmad and Divinity

- Promotion of gender equality
 - Website for Women
 - Support of the MADWOMENFEST festival recognising and giving visibility to female artists
 - Feminist Blog
 - FEMYLENIA channel
 - SHAKE SHAKE SHAKE channel
 - BEAUTIPS FOR MEN channel
- No Bullying
 - Numerous critical reports on Divinity.es:
- Visibility and normalisation of homosexual people
 - TENGO UN AMIGO QUE channel
 - THE TRIPLETZb channel
 - DULCEWEEKEND channel
 - MADLOVE channel
 - LA CONCHA DE TU MADRE channel
 - RUBÉN ERREBEENE channel
 - QUÉ LA PASA channel
 - LGTBI website
- Visibility of the transsexual community
 - ALEJANDRO P.E channel
- Visibility and normalisation of other cultures
 - GIPSY QUEENS channel
 - GIPSY FOOD channel
 - MIS QUINCE channel

Healthy lifestyles

Cuatro and Mtmad

- Promotion of a healthy lifestyle and sport
 - GENERACIÓN PRO: Website dedicated to children and youth sports
 - CHATARRAS PALACE: LOS ENTRENOS channel
 - MUJERES RUNNERS CON MÓNICA MARTÍNEZ channel
 - DOCTORE POLLO channel
 - ENTRENA CON SERGIO PEINADO channel
- Broadcast of sex education for young people
 - TENGO UN AMIGO QUE channel
 - YASSS. Web y programa en directo donde se contribuye a acabar con los tabúes sexuales
- Prevention of drug use
 - NO ME RAYES channel
- Visibility of real women freeing themselves from the tyranny of being skinny
 - SERRANÍSIMA channel
 - A 140 KILOS DE DISTANCIA channel
 - DANDO LA TALLA channel



AWARDS RECEIVED BY MEDIASET ESPAÑA IN 2017

Mujerhoy Award to Ana Rosa Quintana recognising the most outstanding women in Spain

Feroz Awards

"Kiki, Love to Love" for Best Comedy Film
 "Kiki, Love to Love" for Best Trailer
 Fernando Velasco for "A Monster Calls" for Best Original Song

Goya Awards for "A Monster Calls":

Best Director to Juan A. Bayona
 Best Original Score to Fernando Vázquez
 Best Production Supervision to Sandra Hermida
 Best Cinematography to Óscar Faura
 Best Editing to Bernat Vilaplana and Jaume Martí
 Best Art Direction to Eugenio Cabrero
 Best Makeup and Hairstyles to Marese Langan and David Martí
 Best Sound to Peter Glossop, Oriol Tarragó and Marc Orts
 Best Special Effects to Pau Costa and Félix Bergés

Talento 2016 Award by the Television Academy to Juan Pedro Valentín in recognition of professional excellence behind the cameras.

Fotogramas de Plata Awards:

"A Monster Calls", Best Spanish Film
 Paco León and Ana Katz for Best Movie Kiss in a Spanish movie for "Kiki, Love to Love"

Nipho lifetime achievement Award given by the Universidad de Nebrija to Ángel Sastre, war correspondent for Cuatro

Audience Choice Award for "Kiki, Love to Love" at the Nantes Spanish Film Festival

Journalism Award from the Fundación Grupo Norte Contra la Violencia de Género in the Television category for "Amores que Duelen"

CineEurope Award for Independent Producer of the Year to Telecinco Cinema "whose achievements over the past two decades have converted it into not only one of the great movie studios in Spain, but in all of Europe"

The "100 Mejores Ideas de Actualidad Económica" Award to "Con la trata no hay trato" for the Best Idea for Social Responsibility

Diversa Social Award for its campaign "Se buscan valientes" against bullying. This award recognises the work and influence of the campaign outside of the broadcasts

Internet Day Award for its campaign "Se Buscan Valientes" in the Personal Brand in Social Media- Social Action category.

Naranja y Limón Awards

Naranja Award: Carlos Sobera
 Hugo Ferrer Communication Award to Ana Rosa Quintana
 Jorge Fiestas Cinema Award to J. Bayona for "A Monster Calls"
 Folli Follie Excellence Award to Aida Domenech for "Dulceida"

Lifestyle Award to Bertín Osborne in the Communication category

Medialover Award to "First Dates" in the Social Network Impact category

Silver Antenna Award

To Marta Reyero, host of the weekend news on Cuatro
 To Joaquín Prat, co-host of the Ana Rosa programme

Comunicación 2017 Award from the Fundación Estudios Rurales to Jesús Calleja for "going above and beyond love of nature and rural spaces which pervades all of the work and life of the host on Cuatro's programme "Volando voy"

Goden Antenna Award to Bertín Osborne and Carlos Sobera

Aquí TV Awards:

Best DTT channel to Divinity
 Best DTT Programme to "Luce tu pueblo"
 Best Supporting Actor to Víctor Palmero
 Best News to Pedro Piqueras and the 9:00 p.m. news on Telecinco
 Best Reality Show to "First Dates"
 Best Game Show to "Pasapalabra"

El Chupete Awards:

Grand Prize, movie/TV category to "Se buscan valientes"
 Music "Se buscan valientes"
 Webpage www.sebuscanvalientes.com
 Movie/TV – Communication Media "Se buscan valientes"

Ondas Awards

To "Sé quién eres" for Best Spanish Series
 To Blanca Suárez for Best Actress

Cosmopolitán Award to Lara Álvarez in the TV Star category

Recognition of Social Values given by the Confederación Española de Centros de Enseñanza to the 12 Month Campaign "Se buscan valientes", an award created to recognise those persons or entities which have done significant work defending liberty, equality, justice and solidarity in educational, cultural, sporting and humanitarian endeavours

Men's Health Award

Juan Vázquez, Lifetime Achievement Award
 Juanma Castaño, Sports Communication Award

Magisterio 2017 Award for the 12 Month Campaign "Se buscan valientes"

Solidario del Seguro Award for the 12 Month Campaign "Se buscan valientes"

Gala de las Estrellas de Alcer Navarra Award for the 12 Month Campaign "Eres perfecto para otros"

MIM Series Award to:

"Sé quién eres" DAMA Award for Best Dramatic Series
 MIM Blanca Portillo Award for Best Female Actress in a Drama for "Sé quién eres"
 MIM Eva Isanta Award for Best Female Actress in a Comedy for "La que se acerca"



ADVERTISING BUSINESS

THE COMPANY HAS OFFERED SEVEN OF THE 10 MOST WATCHED SPOTS THROUGHOUT THE YEAR, SIX OF THEM ON TELECINCO, THE LEADING CHANNEL IN EFFICIENCY AND PERMANENCE, WHICH HAS ALSO FEATURED THE ONLY AD IN A NON-SPORTING BROADCAST WITHIN THE TOP 10.

Mediaset España, platform of greater coverage and advertising awareness with a complementary mix of linear and digital media

Mediaset España's offer of platforms on television and internet has once again had the greatest coverage to offer advertisers. Its mix of linear and digital media and its high segmentation by users and viewers' profiles and typologies has allowed Mediaset España channels to endorse its position as the most effective advertising campaign platform in terms of recall and awareness.

The company has offered seven of the 10 most watched spots throughout the year, six of them on Telecinco, the leading channel in efficiency and permanence, which has also featured the only ad in a non-sporting broadcast within the Top 10.

The channel has been the leader of the advertising rating in prime time for another year, confirming the success of its short blocks strategy in prime time that it started more than seven years ago, and the potential of which makes it possible to guarantee advertisers awareness indexes of up to 33% more than the second commercial channel.

Apart from conventional advertising on its linear platforms, Mediaset España has expanded its offer of qualitative products with exclusive formats and with premium positioning such as the 'SuperSpot' and its variants 'Pole Position', which, when strategically used are capable of tripling the recall level of an ad located in an intermediate position. With the purpose of further improving the campaign's visibility and taking advantage of its presenters staying power, the company has also developed, within the special initiatives, new sponsorship possibilities

such as Superpatrocinio and Affinity Brand Day/ Week, extendable to its digital media to achieve an incomparable coverage with any other media conglomerate at the national level.

In this regard, Mediaset España has developed a strategy to boost its digital advertising, with the launch of a commercial policy based on the company's online content offer, providing its customers with a complete and quality advertising offer in 2017, with access to a wide range of options and formats. All this and guaranteeing maximum visibility for advertisers, greater than that of any other content operator.

Through its commercial subsidiary Publiespaña, Mediaset offers its portfolio of clients on and off-line platforms in an environment of quality content that is secure for the brands. And it does so with the absolute guarantee that the contracted video advertising space fulfils its objective of being viewed by users, thanks to the fact that adblocker systems are incompatible with browsing any of the Mediaset España sites, a pioneering measure adopted by the company in order to guarantee the free content of professional quality, the profitability of the advertisers' investment and the definitive take-off of a sustainable digital model.

In fact, to continue advancing the creation and implementation of this model in the market, in 2017 Mediaset España has undertaken the development of ambitious projects in the field of advanced analytics and big data, integrating new professional profiles to its workforce, such as computer engineering, mathematicians and statisticians in data management and data scientist positions, as well as in marketing, administration and advertising development positions in the digital environment to reinforce the synergies between television, internet, cinema and advertising, adjusting the company to the opportunities of a business in constant evolution working with information and audio-visual entertainment in which this company enjoys a privileged leadership position.

Mediaset España, the only group that broadcast 100% of its prime-time spots in short blocks, achieves an awareness index 33% higher than its main competitor

Mediaset España has, for another year, remained faithful to its strategy of broadcasting 100% of its prime-time spots in blocks of less than six minutes duration, compared to 42% of Atresmedia, which has resulted in profile ratings 33% higher than those of its main competitor according to the latest wave of the Study on Advertising Effectiveness in Prime Time prepared by the Institute of strategic market research consultancy CIMEC (January-December 2017).

According to this study, which finds that the block length is the advertising management variable that most influences awareness over others such as positioning, duration or typology of the spot, blocks of less than six minutes are remembered 57% more than the blocks exceeding this time.

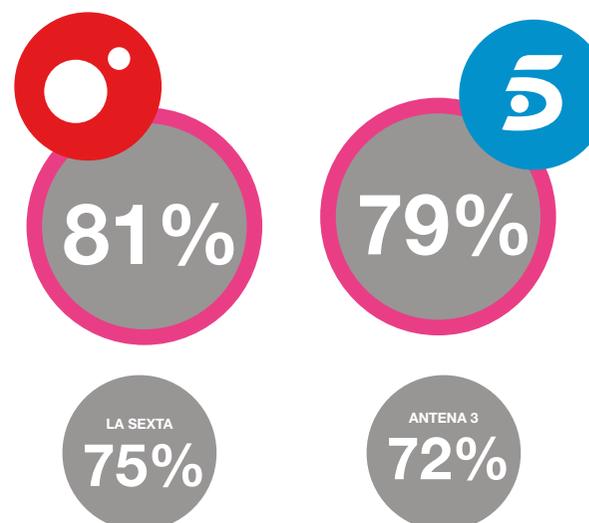
In this sense, Telecinco, with an average block duration from bumper to bumper 37% less than that of Antenna 3, has once again become the television leader of the advertising rating in prime time with a 3.7% advertising rating in Adults, 12% more than Antena 3 (3.3%).

Advertising rating in Prime Time. 2017



Telecinco and Cuatro, which has also offered its blocks in prime time with a substantially shorter duration than La Sexta's, have achieved the highest percentages of retention and permanence in the block, achieving 10% more than their respective competitors:

Permanence in advertising block vs. time slot rating. 2017



+33%

AWARENESS PT VS. MAIN
COMPETITOR

100%

IN PRIME TIME IN BLOCKS
<6 MINUTES

The widest range of HQ products on the market with the 'SuperSpot' as the most successful product of the year

Mediaset España has reinforced its offer of qualitative products, the broadest in the market, including new formats which accompany the 'SuperSpot', a block integrated by a single advertisement broadcast in prime time and simultaneously on all the company's channels (except Boing). In its second year, it has again confirmed its excellent performance, producing recall rates 81% higher than those of Atresmedia's HQ products and achieving an average of 12.4% advertising rating and more than 4 million viewers in the 10 most watched spots of the year with this format.

In addition to the exclusivity, high coverage and outstanding positioning in a minimum duration break, the 'SuperSpot' has presented, according to CIMEC, average recall levels 6.14 times higher than those of the conventional spot. As a result of the success of this format, Mediaset España has subsequently expanded the levels of follow-up and coverage of its clients' campaigns with the launch of 'SuperSpot Total TV + Online', with the broadcast of the spot on television and the simultaneous inclusion in the live signal from the sites of Mediaset España channels and Mitele.es, both in its web version and in the app version.

In line with this type of format, Publiespaña has reinforced its commitment to HQ products with the launch in the last quarter of the year of 'Pole Position', a package of nine daily spots with a premium positioning and strategic planning capable of tripling the recall level regarding the intermediate position of the ad.

70% of the most watched spots of the year, on Mediaset España

Mediaset España has broadcast seven out of the 10 most watched spots in 2017, six of them on Telecinco, which hosted the ad with the highest advertising rating in a non-sports broadcast during the free to air premiere in 'Cine 5 Estrellas' of the movie 'Fifty Shades of Grey'. In addition to the Telecinco's classic film slot, large formats such as 'The Voice' and 'Survivor', with an important conversion to commercial target, have offered some of the spots with the highest rating of the year.

Regarding the thematic channels, FDF, with its cinematographic broadcasts and the series 'La que se avecina', and GOL, a channel marketed by Publiespaña since last September that has offered Copa del Rey matches, have gathered 88% of the 100 most watched spots of the year.



SPECIAL INITIATIVES ARE REMEMBERED 72% MORE ON MEDIASET ESPAÑA'S CHANNELS THAN THOSE ON ITS MAIN COMPETITOR'S THANKS, ESPECIALLY, TO THE UNPARALLELED STAYING POWER OF THEIR PRESENTERS

Reinforcement of special initiatives with two new sponsorship formats

Aware of the recall potential that special initiatives have – some 72% are recalled more on the Mediaset España channels than on Atresmedia thanks, especially, to the unparalleled staying power of their presenters-, in 2017 the company has reinforced one of the star formats, sponsorship, whose recall rate is 51% higher than those of the conventional spot. To this end, it has launched two new products on the market, the SuperPatrocinio, which combines the sponsorship of a programme on television and an online package linked to this space, and Affinity Brand Day/Week, a package of daily or weekly sponsorships in which the clients select a list of spaces related to their target.

Among other outstanding actions, Publiespaña developed a special initiative with a well-known food delivery company on Valentine's Day, based on 'First Dates', Cuatro's dating show, according to which both the followers of the programme and the company's clients residing in Madrid, Barcelona and Valencia were able to enjoy a special love menu. To this end, the space led by Carlos Sobera hosted a series of telepromotions and product placement actions to publicise this initiative.

Coinciding with the International Women's Day on March 8, Publiespaña and Mediaset España's Special Productions Department developed, together with a firm dedicated to skin care, an action in which six female faces of Telecinco participated -Emma García, Carlota Corredra, Rosalía Fernández, Bibiana Fernández, Gema López and Fabiola Martínez- who became influencers of the initiative on their new anti-aging treatment. This initiative was possible in Telecinco, thanks especially to the high percentage - above 95% - of the channel's in-house production, a unique case in the sector in Spain.

Finally, Mediaset España and the outdoor screen circuit Iwall in Shop generated a special interactive campaign around the launch of the new version of Ben 10, Boing's animation series. Through this advertising media, exclusively marketed by Publiespaña for almost a decade and offering sensory experiences capable of connecting brands and customers at the point of sale, it was possible to let children get close to the main protagonists of this popular fiction show.



MEDIASET ESPAÑA HAS MAINTAINED ITS COMMITMENT TO THE DISTRIBUTION OF VALUES ASSOCIATED WITH CERTAIN PROJECTS OR NON-PROFIT INSTITUTIONS WITH WHICH IT COLLABORATES

Publiespaña incorporates GOL into its external portfolio of clients

Mediaset España, through its subsidiary Publiespaña, started the marketing of GOL in September, a free to air thematic channel that became part of the external portfolio of clients in the audio-visual sector. The channel, the one with the best commercial affinity in the male target and over 16 years old, has an integrated programming offer, mainly, for the broadcast of football matches of LaLiga Santander, Copa del Rey and LaLiga 123, as well as the highlights and analysis of these and other competitions.

Year after year, Mediaset España has maintained its commitment to the distribution of values associated with certain projects or non-profit institutions with which it collaborates, not only through the programming broadcasted, as detailed in the section "Entertainment, information and social commitment" of this document, but also by the assignment of advertising space.

In 2017, the Group has collaborated with the following projects or non-profit institutions, giving away their advertising space free of charge:



Organisation/Channel								Total
12 meses #Se buscan valientes	2,149,608	647,868	1,134,395			865,478		4,797,348
12 meses #Queremos que te cuides	583,625		711,725			121,450		1,416,800
12 meses #Los comprometidos	135,778		59,440			20,908		216,125
ABRAZADAS	25,600		22,400			7,100		55,100
Fundación de Ayuda Contra la Drogadicción- Verde Constanca	429,350		346,700			169,600		945,650
Fundación Ayuda Contra la Drogadicción	710,850		449,500			253,650		1,414,000
Fundación Reina Sofía	951,525		551,000			202,400		1,704,925
Fundación Querer	554,750	234,500	425,075			169,225		1,383,550
Fundación Juegaterapia	92,700		54,600			37,350		184,650
Tarjeta de donante de órganos	606,438	121,688	380,500			114,000		1,222,625
Total	5,240,223€	1,004,055€	4,135,335€			1,931,160€		13,340,773€

WORKFORCE

THE COMPANY HAS FOCUSED MUCH OF ITS EFFORTS ON IMPROVING ITS EMPLOYER BRANDING POLICY, WITH THE DUAL OBJECTIVE OF ENABLING THE ATTRACTION OF EXTERNAL TALENT AND BUILDING LOYALTY AMONG THE IN-HOUSE TALENT

The growing digitalisation of Mediaset España Group's business activity has continued being one of the main challenges for the human resources management in 2017. Capturing and managing the best available talent is key to maintaining leadership in a dynamic and highly competitive sector, such as the audio-visual sector.

In this regard, the company has focused much of its efforts on improving its Employer Branding policy, with the dual objective of enabling the attraction of external talent and building loyalty among the in-house talent. Thus, for example, it should be noted that in 2017 Mediaset España has been present with its own stand at the Digital Employment Fair (FEED) held during the month of November, and that it has improved the employment page on the corporate website.

Furthermore, through initiatives such as supporting a University Master's Degree in Audio-visual Content Creation and Management, and through collaboration agreements with Universities and Business Schools, the Group develops a policy of actively seeking new talent.

On the other hand, and in order to continue strengthening the communication channels with its employees, in October the Mediaset España HR app was launched as the Group's new internal communication channel and a support tool in human resources management.

Lastly, the year was also marked by the beginning of the negotiation for the renewal of the Collective Agreement applicable in Mediaset España, which expired on December 31.



AVERAGE WORKFORCE (NO. PERSONS) (1)

1,280

2016: 1,275

2015: 1,266

PROPORTION OF FEMALE EMPLOYEES (%)

50.23

2016: 50.04

2015: 49.45

WORKFORCE AT YEAR END (NO. PERSONS)(2)

1,273

2016: 1,274

2015: 1,274

PROPORTION OF EMPLOYEES WITH INDEFINITE CONTRACTS (%) (6)

97.81

2016: 97.96

2015: 98.70

INTERNS (NO. PERSONS) (3)

132

2016: 137

2015: 236

NEW RECRUITS (7)

31

2016: 72

2015: 60

WORK EXPERIENCE STUDENTS (NO. PERSONS) (4)

78

2016: 54

2015: 47

TURNOVER RATE (8)

1.48

2016: 2.43

2015: 0.79

AVERAGE AGE OF THE WORKFORCE (YEARS) (5)

45.43

2016: 45.67

2015: 45.04

AVERAGE LENGTH OF SERVICE IN THE WORKFORCE (YEARS)

16.24

2016: 16.99

2015: 16.47

Scope: The data includes Mediaset España Group and Netsonic subsidiaries.

(1) It includes permanent and temporary employees annual average for 2017. It does not include workers hired through Temporary Employment Agencies, internships or work experience placements. Permanent personnel are those with an indefinite employment contract or are interns whose posts are considered to be permanent; temporary personnel are those with employment contracts for a specific project or specific duration. Work experience contract differs from Students work experience; and refers to professionals hired by the company under an employment contract.

(2) Refers to the permanent and temporary personnel, at 31/12/2017.

(3) Total annual data.

(4) Total annual data. Student work experience are exclusive to the company Mediaset España.

(5) Calculated at 31st December each year.

(6) Refers to permanent employees with an indefinite contract. Data calculated on the average annual workforce.

(7) Refers to recruits with indefinite and work experience contracts.

(8) Unwanted leave (voluntary redundancies + voluntary leave of absence) / Average headcount * 100.

Geographic distribution

TOTAL SPAIN

1,253 98.43%

MADRID **1,225** 96.23%
 BARCELONA **24** 1.89%
 BILBAO **4** 0.31%

OUTSIDE OF SPAIN⁽¹⁾

20 1.57%

COLOMBIA **8** 6 2
 MÉXICO **9** 6 3
 USA **2** 2 0
 PERÚ **1** 0 1

Data at 31st of December 2017.

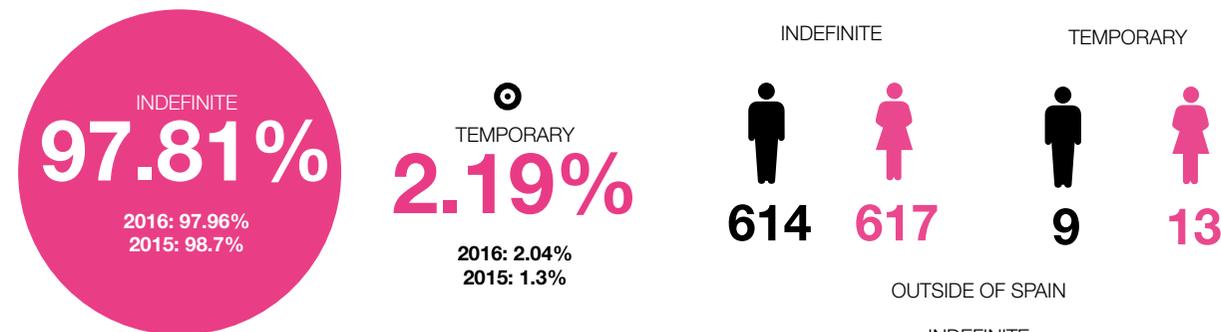
(1) The workforce outside of Spain is recruited by Netsonic subsidiaries of each country, it carries out the commercialisation activities of internet advertising and all staff are local, except one person in the USA who has moved there from Spain.

Workforce by Group Company, job category and gender

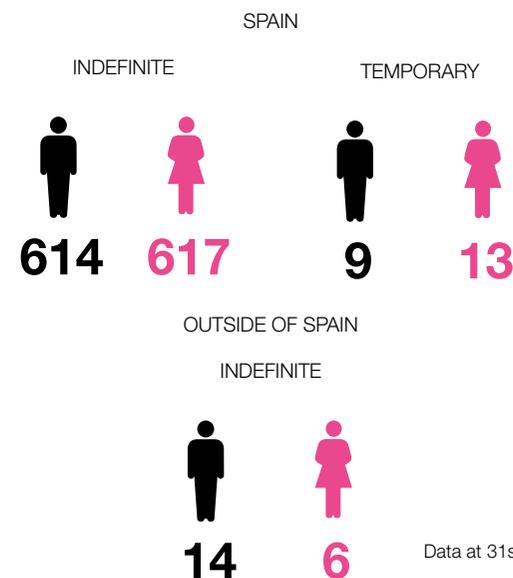
Permanent Personnel	MANAGERS		HEAD OF DPT.		JOURNALISTS		EMPLOYEES		OPERATORS		Total	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Mediaset España	53	24	31	33	55	86	387	355	18		544	498
Publiespaña	15	12	10	8			38	95	2	2	65	117
Telecinco Cinema	3	1		1				3			3	5
Conecta 5	1	1		1		1	1	3			2	6
Netsonic (Spain)							1				1	
Netsonic (subsidiaries)	4						10	6	1		15	6
Temporary Personnel	MANAGERS		HEADS OF DPT.		JOURNALISTS		EMPLOYEES		OPERATORS		Totales	
Mediaset España					1	1	6	3			7	4
Total	76	38	41	43	56	88	443	465	21	2	637	636

Data at 31st of December 2017.

Workforce distribution by contract type



Data calculated from annual average workforce.



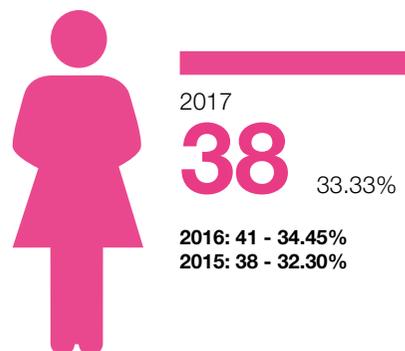
Data at 31st of December 2017.

Workforce distribution by contract type and professional category

	N° PERSONS IN SPAIN		N° PERSONS OUTSIDE SPAIN			
	Permanent	Temporary	Permanent			
Managers	73	38	0	0	3	0
Head of dpt.	41	43	0	0	0	0
Journalists	55	87	1	1	0	0
Employees and operators	445	449	8	12	11	6
Totales	614	617	9	13	14	6
	1,231		22		20	
			1,273			

Data at 31st of December 2017.

Female managers



Data at 31st of December 2017.

Workforce distribution by age

Years old		
over 50	213	136
30-50	413	481
under 30	11	19
Total	637	636

Scope: The data includes to Mediaset España's Group and Netsonic subsidiaries (Colombia, Mexico, USA and Peru).

Turnover by age group and gender

Age Groups	Turnover rate 2017		Turnover rate 2016		Turnover rate 2015	
<30	18.18	5.26	40	11.54	-	6.67
30-50	1.69	1.87	3.73	0.99	0.86	0.94
>50	-	-	1.54	-	-	-
Total	1.41	1.57	3.63	1.25	0.62	0.95

Data at 31st of December 2017.

Scope: As of 2017, the following formula has been used for the calculation of the turnover index (IR), having also applied the comparative data of the previous 2 years: unwanted leave / workforce at 31st December corresponding to each age group *100. Unwanted leave includes voluntary redundancies and voluntary leave of absence, not including death, incapacity or retirement.

Distribution of new recruits by age group and gender

over 50	2	1
30-50	10	8
under 30	5	5
Total	17	14

Distribution of dismissals by age group and gender

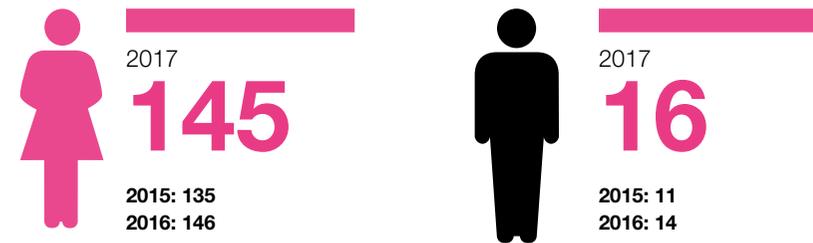
over 50	1	0
30-50	4	4
under 30	3	3
Total	8	7

Distribution of part-time workforce

BREAKDOWN BY CATEGORIES	PART TIME PERSONNEL			
	2017		2016	
Managers		3	2	
Head of dpt.	1	5	1	5
Journalists	2	27	2	27
Employees	13	110	11	112
Operators				
Total	16	145	14	146

Data at 31st of December 2017.

Workforce with reduced working hours



Data at 31st of December 2017.

Parental leave

	2017		2016	
No. of employees who took parental leave	14	21	25	23
No. of employees who returned to work after taking parental leave	14	21	25	23
Number of employees who returned to work after parental leave was granted and who maintained their employment in the 12 months after their reinstatement	14	21	25	23

Data at 31st of December 2017.

Note. 100% of the workforce has the right to apply for a maternity / paternity leave. On the other hand, in all cases where parental leave was granted, the employee returned to work and retained his/her post, with a 100 % return rate to work following parental leave.

THE COLLECTIVE AGREEMENTS ENSURE APPROPRIATE WORKING CONDITIONS THAT ARE ACCEPTED BY BOTH PARTIES, AN APPROPRIATE SOCIAL CLIMATE AND THE COMPETITIVENESS OF THE COMPANY IN THE AUDIO-VISUAL MARKET.

Employee relations

The employment relationship between the company and its employees is framed in the collective agreements applicable to the Group's companies. Each agreement defines its own scope of application, providing for the exclusion of certain groups that due to their uniqueness have their own regulations.

These collective agreements ensure appropriate working conditions that are accepted by both parties, an appropriate social climate and the competitiveness of the company in the audio-visual market.

Mediaset España XI Mediaset España Collective Agreement. In force 2014 -2017.

Denounced by the workers on 5/10/2017 and the Negotiating Table was set up on 24/10/2017.

Publiespaña Advertising Sector Collective Agreement. In force 2015-2016.

Currently denounced, but still in force.

Telecinco Cinema Madrid's Regional Collective Agreement for Office Workers (in force 2013-2017), however, employees will benefit from any improvements provided for in the Mediaset España Collective Agreement in force at the time.

Conecta 5 Madrid Regional Collective Agreement for Office Workers. (In force 2013-2017).

Netsonic ⁽²⁾ Advertising Sector Collective Agreement. In force 2015-2016.

Currently denounced, but still in force.

Freedom of association and trade union freedom, both fundamental rights, are recognised and respected in each country where the Group has a workforce, through the application of the legal provisions established in each place. During 2017, there was no risk related to exercise of freedom of association and trade union freedom rights.

Percentage of employees covered by a Collective Agreement in each company (1)



(1) Data at 31 December 2017

(2) Applicable to Netsonic in Spain. Employment relationships and the guarantees to respect workers' rights hired by Netsonic's subsidiaries in each country (20 workers who work in Colombia, Mexico, the United States and Peru), are regulated by the legislation of each country, strictly enforced by the Netsonic Group.

THE EQUALITY PLANS CONSOLIDATED OVER THE YEARS IN THE GROUP HAVE PROMOTED A CULTURE OF EQUALITY AND CONCILIATION AT ALL LEVELS OF THE ORGANISATION

Equal opportunities

The principle of equal opportunities is included in Mediaset España's Code of Ethics and the effective application of which is guaranteed by the current Collective Agreements, also the Equality Plans implemented by each Group company and the current psychosocial and workplace harassment risk management procedures.

The **Collective Agreements** in force ensure that the aspects such as employment, assignment of work positions, remuneration, disciplinary regime or termination of the contractual relationship are based on objective factors and never linked to personal conditions of the workers such as gender, race or religion, among others.

On the other hand, the **equality plans** consolidated over the years in the Group have promoted a culture of equality and conciliation at all levels of the organisation, including conciliation and equal opportunities measures and guaranteeing their dissemination through the internal communication channels. In 2017 it is worth noting that the extension of the Equality Plan of Mediaset España has been signed, which will be in force from the beginning of 2018 until the new Collective Agreement is signed.

No cases of discrimination have been reported during the year. Likewise, the diagnoses carried out before the objectives in the equality

plans were set have not detected discriminatory situations or situations constitutive of inequality in the workplace due to gender. Neither has there been any complaints in 2017 due to harassment that made it necessary to activate the managing psychosocial risk and harassment procedure in the workplace.

The **Equality Agent** has continued advising the employees and processing the application of the measures contained in the Equality Plan and the Collective Agreement during the year. It has also prepared the Annual Report on Equality in the Company, subsequently delivering it to the workers' representatives. This document contains relevant information on the women's representation in the organisation, including the management level and positions of responsibility, on the distribution of the staff by levels and specialties, and on the measures adopted to promote equality and conciliation.

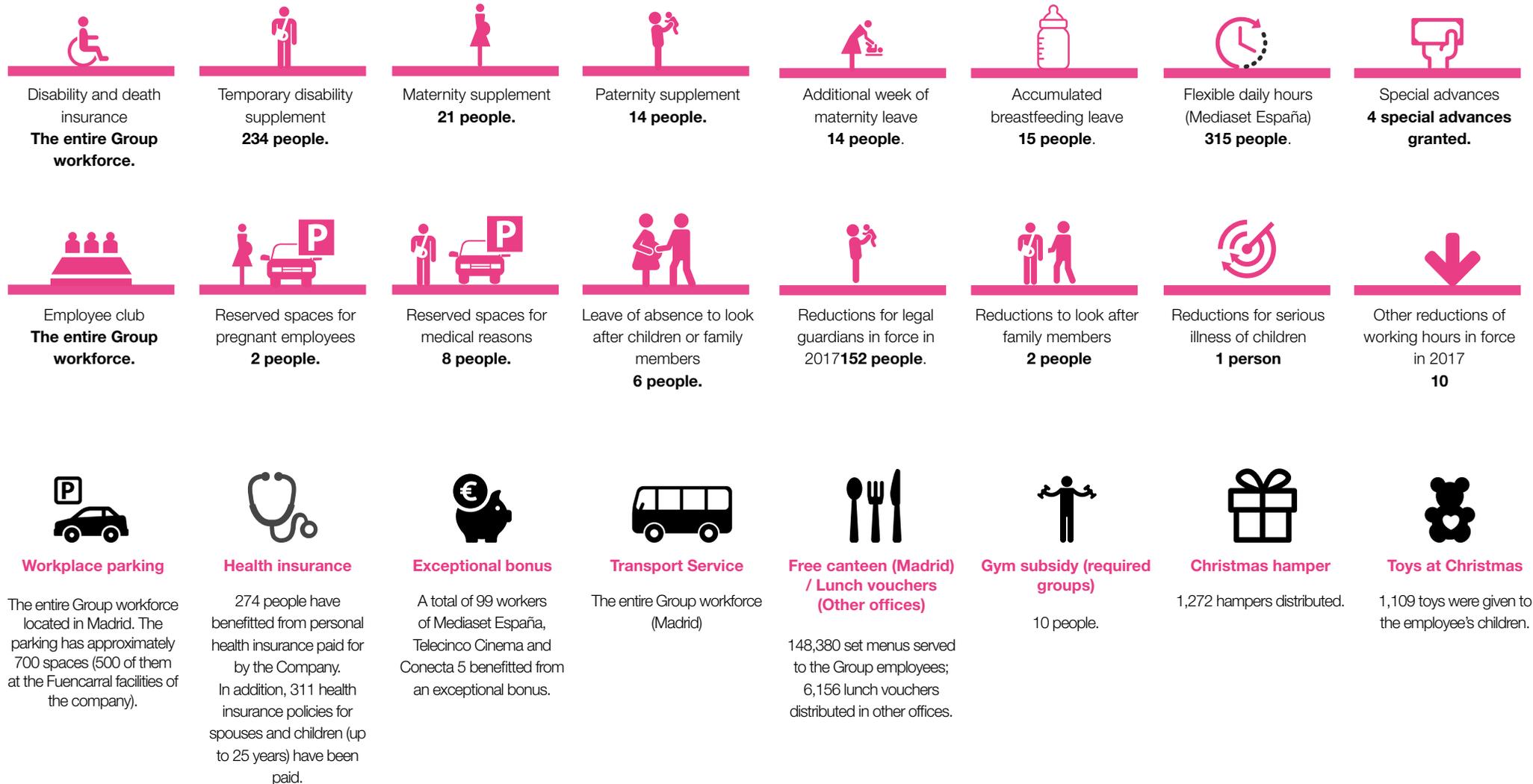
On the other hand, and in order to promote Mediaset España's commitment with equal opportunities and life-work balance, it is worth noting that during 2017 the Life-Work Balance Measures Guide, whose content has been published in the Employee Portal, has been updated. In this line, an up-to-date training programme on equality has also been implemented in the company, imparted by the Chamber of Commerce of Madrid.

DURING 2017, NO CASES OF DISCRIMINATION OR HARASSMENT HAVE BEEN REPORTED

Company	Policy	Validity									
		2009	2010	2011	2012	2013	2014	2015	2016	2017	
Mediaset España	V Equality Plan										
	Equality Plan Annex										
	Psychosocial and workplace harassment risk management procedures										
Publiespaña	VI Equality Plan										
	Psychosocial and workplace harassment risk management procedures										
Telecinco Cinema	Psychosocial and workplace harassment risk management procedures										
Conecta 5	VI Equality Plan										
	Psychosocial and workplace harassment risk management procedures										

Fringe benefits and work - life balance measures

In 2017 the following fringe benefits and work - life balance measures have been enjoyed by Mediaset España's employees:



THE INVESTMENT IN TRAINING AMOUNTED TO MORE THAN 148,000 EUROS AND MORE THAN 48,000 EUROS IN SCHOLARSHIPS.

Training and recruitment of new talent

Talent management is a critical aspect of Mediaset España's business strategy and, therefore, a central issue in the human resources management. In this field, training and reinforcing the skills of employees are key, and become even more relevant in a sector where the capacity for innovation is directly related to leadership.

Much of the Group's efforts and investment related to human resources management are dedicated to this task. Specifically, during the past year investment in training has amounted to more than 148,000 euros, on top of that 48,000 euros were paid as scholarships.

In 2017, the Training Plan has specially focused on the development of the workforce skills, which has accounted for 30% of the total training, more than 3000 hours. Among the most highlighted issues are the Management development Programs, Executive Coaching and the Master's in Audio-Visual Content Creation and Management.

On the other hand, a lot of actions aimed at software/computing capacity training have been performed, which has accounted for 21% of the total training. In addition, a continuity policy has been maintained in the development programs, language training and training in Occupational Risk Prevention. It is also worth mentioning that the 5th edition of the money laundering prevention training took place during the past year and that the Company has again participated in the Executive Development Program for women edition.

In Publiespaña, new incorporations have been trained in the Performance Evaluation System. In addition, training in communication skills has been resumed, as well as in other technical and business skills. Within the framework of the Group's digital transformation, initiatives aimed at the development of digital business and programmatic advertising have been carried out. In turn, the company has launched the awareness and training plan on Cybersecurity, this training has been given to the entire management of the company, with plans to extend it to the rest of the workforce in 2018.

ADAPTATION TO THE POSITION
(INDUCTION PLAN)
179 h.
2%
of the total

DEVELOPMENT OF
MANAGEMENT SKILLS
3,070 h.
28%
of the total

PRL
1,630 h.
15%
of the total

DIGITAL TRANSFORMATION
743 h.
7%
of the total



TRAINING IN SOFTWARE/ IT
2,276 h.
21%
of the total

TRAINING SPECIFIC TO
POSITION
1,414 h.
13%
of the total

LANGUAGE TRAINING
1,571 h.
14%
of the total

Participants per type of training

	2015			2016			2017		
	Attendance	Participants	Nº hours	Attendance	Participants	Nº hours	Attendance	Participants	Nº hours
Languages (attendance based)	78	26	1,419	27	20	223	19	11	227
Training in groups	1,773	780	14,858	624	412	4,971	717	416	5,492
Seminars and congresses	31	31	269	28	24	335	35	28	208
Master's degree programmes	3	3	1500	4	4	2,000	7	7	2,600
Online Training	101	101	1,794	468	428	5,696	743	691	2,356
Study grants awarded		97			90			103	

Scope: the data reported includes Mediaset's Group and Temporary Employment Agency employees.

Note 1: Figures in the column "Attendance" correspond to all people who took part in the training, without differentiating whether or not they repeated.

Note 2: Figures in the column "Participants" correspond to the non-repeated assistance in the same training category (for example, Languages), however the assistance can be repeated between the different training categories.

Training hours by professional category and gender

	2015		2016		2017		Hours of training ratio	
	Male	Female	Male	Female	Male	Female	Male	Female
Managers	595	970	483	746	328	655	4.32	15.98
Heads of Department	216	880	282	822	344	813	8.82	18.91
Journalists	48	188	160	130	-	12	-	0.14
Employees and Operators	9,674	6,046	4,893	5,425	3,974	3,972	8.49	8.42
Temporary employment Agencies	719	504	220	64	697	88	-	-
Total	11,252	8,588	6,038	7,187	5,343	5,540	8.39	8.63
	19,840		13,225		10,883			

* With respect to the training offered to employees hired through the Temporary Employment Agency, the hourly ratio per person is not calculated given that the recording system registers the number of contracts signed and not the number of people hired through temporary employment companies. Therefore, the information would be distorted, indicating hours per contract and not per person, with some people having more than one contract.

Skills training programmes

	2015			2016			2017		
	Nº of actions	Hours	Attendance	Nº of actions	Hours	Attendance	Nº of actions	Hours	Attendance
	8	2,694	65	18	7,052	139	8	3,302	65

Note: Total number of training actions refers to different training actions; training actions repeated in different companies of the group are included once.

Transversal skills training programmes

	2015			2016			2017		
	Nº of actions	Hours	Attendance	Nº of actions	Hours	Attendance	Nº of actions	Hours	Attendance
	19	4,233	203	18	4,176	149	10	2,036	108

Note: Total number of training actions refers to different training actions; training actions repeated in different companies are included once.

30% OF THE TRAINING GIVEN HAS BEEN AIMED AT STRENGTHENING THE SKILLS OF THE WORKFORCE.

MEDIASET ESPAÑA HAS CONTINUED TO DEVELOP ITS COMMITMENT TO GENERATING ADDED-VALUE KNOWLEDGE FOR THE AUDIO-VISUAL SECTOR THROUGH THE MASTER'S DEGREE IN AUDIO-VISUAL CONTENT CREATION AND MANAGEMENT, THE EXPERT-EXPERTISE PROGRAM AND THE JUMPING TALENT PROJECT.

Beyond the In-house Training Plan, during 2017 Mediaset España has continued to develop its commitment to generating added-value knowledge for the audio-visual sector through the **Master's Degree in Audio-visual Content Creation and Management**, a postgraduate degree that Mediaset España promotes jointly with the European University of Madrid.

In the eighth edition, which ended in June, a total of 20 students participated, of which 4 belonged to the Mediaset España Group. Throughout the Master's programme, students enjoyed the participation of recognised prestigious speakers that are members of the company, in addition to having been able to visit Mediaset España's facilities.

In turn, during the year the Group has continued to consolidate its cooperation policy with universities, business schools and professional training centres, one more way to attract the best talent, while at the same time giving young participants the opportunity to acquire technical and human skills that enable them to make their way in the employment market.

In this sense, the presence of students educated in professional training centres has increased by 33% compared to 2016 and by 37.9% the students with high education. In total, 261 students passed through Mediaset España, 63 of them were finally hired to work in the different companies of the Group.

On the other hand, in 2017 the agreement with Universidad Politécnica de Madrid to hire students who have completed their studies, the so-called Expert-Expertise Program, and the company has again participated in the Jumping Talent Project, led by Universia.

Thanks to the Expert-Expertise Program, during the past year a total of 3 university graduates have been able to complement their academic training with an online training program that has international validity in business, as well as with practical training in Group companies in the technical, contents and transversal areas.

For its part, Jumping Talent allows participating companies to access the selection of the best 100 university students in the country for incorporation into training programs in the company or their first job, for a period of 3 to 9 months. In 2017, a total of 99 candidates participated, although no subsequent hiring took place.



IN 2017, 24% OF THE WORKFORCE WAS ASSIGNED TO THE PERFORMANCE EVALUATION SYSTEM.

Performance evaluation

Employees included in the Performance Evaluation System

			% of total workforce
Mediaset España (1)			
Directivos	58	26	
Mandos intermedios	7	2	
Ejecutivo de cuentas	2	8	
Técnicos	4	18	
Ordenanzas	-	-	
Secretarias	-	-	
Recepcionistas	-	-	
Total Mediaset España	125		11.46%
Publiespaña			
Directivos	14	12	
Mandos intermedios	10	9	
Ejecutivo de cuentas	25	32	
Técnicos	13	46	
Ordenanzas	2	-	
Secretarias	-	16	
Recepcionistas	-	-	
Total Publiespaña	179		98.35%
Total Mediaset Group	135	169	
	304		23.88%

(1) Mediaset España: Executives, some Heads of Department and technicians. Includes all the group's companies except Publiespaña.



MEDIASET ESPAÑA IS A MEMBER OF THE MINISTRY OF EMPLOYMENT AND SOCIAL SECURITY'S NETWORK OF HEALTHY COMPANIES AND SUBSCRIBES TO THE DECLARATION OF LUXEMBURGO

Occupational risk prevention

Occupational Health and Safety at work is regulated and guaranteed in Mediaset España through the **Occupational Risk Prevention Plan 2015-2018**. Based on the objectives defined in said Plan, the Joint Prevention Service prepares an Annual Preventive Activity Plan, as described in the section "Team Management" of this Report.

2017 Preventive Activity Plan Outstanding measures

- Management system for the Coordination of Business Activities through IT systems.
- New procedure for measuring electromagnetic radiation and preparing a risk map of the entire facilities at Fuencarral.
- Corporate analysis to adjust job posts according to age.
- Back school, information for those affected and a physiotherapist has been incorporated in the preventive program.

Among the measures taken in 2017, within the framework of the Annual Preventive Activity Plan, it is worth highlighting that a physiotherapy service has been implemented at the Mediaset España headquarters in Fuencarral. A service that employees can use up to once a month during the working hours, with no need to recover work time and with prior authorisation from those responsible, paying the cost of the service.

In addition, Mediaset España has a **Procedures Manual** that addresses business management aspects with an impact on health and safety, such as business activity coordination, the acquisition and purchase of products or the effective incorporation of new regulatory requirements related to the evaluation of the hazards of optical radiation exposure, and other issues. An example of this type of procedure is that created for those sent to areas of risk or conflict. This procedure jointly involves the Joint Prevention Service, Medical Service, the Human Resources Department and the insurance area of the Purchasing and General Services Department.

As a novelty, in 2017, employees with a corporate telephone were provided with the Welcome Plan through an app, as a further measure to comply with the worker's information precept established by the Law on Risks and Preventive Measures.

For its part, the **Health and Safety Committee**, the body in charge of the regular and periodic consultation of the company's actions in Occupational Risk Prevention matters, has held four regular and one extraordinary meetings in 2017. Some of the most relevant issues dealt with during 2017 in the context of these meetings has been the medical study of stage managers, the purchase of reversed field glasses for cameras, training actions for stress management, workers mobility, communication of shifts with more notice, air conditioning work carried out in the broadcast room, development of prevention campaigns, performance of the preventive internal audit, medical service digitalisation, the launch of the physiotherapy service at the facilities and the provision of defibrillators in the workplace.

Mediaset España is part of **the Ministry of Employment and Social Security's Healthy Companies Network** and has expressed its commitment to the **Luxembourg Declaration**.

Internal awareness campaigns for health care



As a **Healthy Company**, the company manages its worker's health using a comprehensive and integrated approach, considering health in all company policies, which is reflected in the Comprehensive Healthy Company Management System Manual, approved by the company in October 2016 for the Fuencarral facilities in Madrid.

In 2017, Mediaset España has taken various measures to promote health among its staff in the exercise of this commitment.

Efforts which have earned Mediaset España a second prize in the Large Companies category of the **V Escolástico Zaldívar Awards**.

Mediaset España has the **OHSAS 18.001** certification, which guarantees that the Occupational Health and Safety measures implemented in the company are developed within a structured management system, effectively integrated into the organisation. Likewise, compliance with the policy is guaranteed, as the necessary control mechanisms have been implemented and those responsible for carrying them out have been designated. The audit conducted in 2017 in relation to this certification has confirmed the correct adaptation of the management to the standard.

Training is given to workers on various subjects throughout the year as part of the prevention work. In 2017, the training content related to Occupational Risk Prevention (PRL) represented 14.96% of the total training offered and 821 employees participated, 35.5% more than in 2016. Emphasis was placed on Safety and Emergency training, which was attended by up to 673 employees.

IN 2017, THE HEALTH SERVICE LOCATED AT THE FUENCARRAL FACILITIES ASSISTED THE EMPLOYEES 5279 TIMES.

The distribution of voluntary assistance courses has been carried out through the corporate intranet, whereas the courses that were considered compulsory for the performance of a particular job, they were offered directly to those employees affected.

In addition, a series of measures are regularly taken to ensure the safety and welfare of employees:

- **Distribution of information on the intranet about jobs,** associated risks and preventive measures. In this regard, the informative circular for adequate maternity protection should be highlighted, in which the basic conditions for the exclusion of pregnant women for certain tasks and the list of jobs that cannot be carried out by pregnant women are detailed.
- **Specific prevention in the program's special events,** in coordination with the Program Production area.
- **Coordination of business activities** in preventive matters with collaborating companies.
- **Presence of Preventive Resources** in the assembly / disassembly of program sets.
- **Designation of Authorised Personnel** in jobs that may involve some specific risk, among other actions.

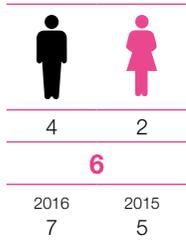
Occupational risk prevention Training in 2017

TRAINING PROGRAMME	No. of participants	Hours taught
Stress Management	19	152
Occupational risk prevention audit training course in OHSAS 18001	1	21
HR 3.0 Meeting: Sport and Company	1	4
Security and emergency training	673	673
PRL (occupational risk prevention) course	1	30
Training for employees at risk of exposure to asbestos	13	52
PRL (occupational risk prevention) training due to electromagnetic fields	1	5
Electrical risk	18	108
Safety for Jobs performed at heights	19	152
Fire Fighting	23	161
Healthy Company Mentor Dr.	15	165
First aid	21	84
Occupational risk prevention congress	1	7
Risk prevention for office positions	2	2
Training on unloading dangerous goods	14	14
TOTAL	822	1,630

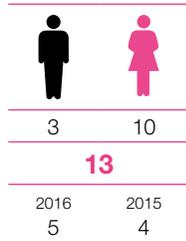
Scope: the data includes Mediaset España's group and workers contracted via temporary employment agencies)

Even though a comprehensive occupational risk prevention system is in place, in 2017 there were a number of undesired incidents related to health and safety in the workplace, as shown below:

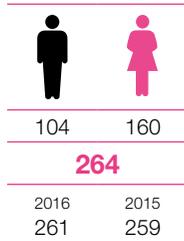
ACCIDENT AT WORK WITH SICK LEAVE (ALCB)



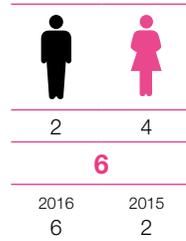
ACCIDENT ON WAY TO/FROM WORK



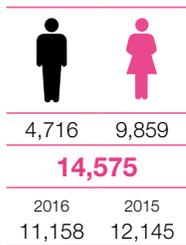
COMMON ILLNESS



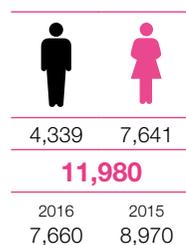
ACCIDENTS NOT AT WORK



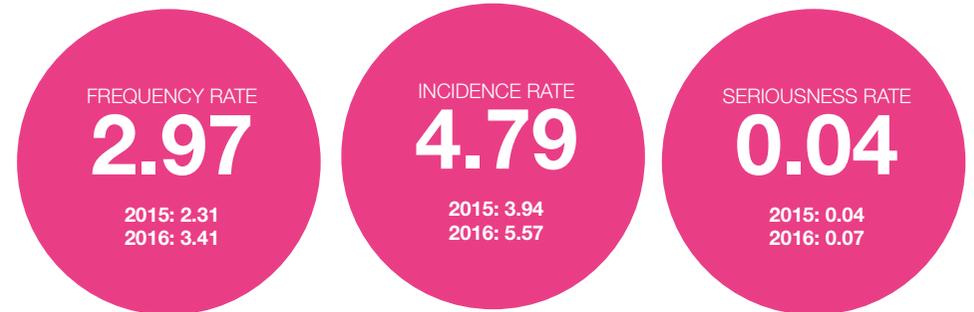
TOTAL DAYS LOST⁽¹⁾



TOTAL DAYS LOST EXCLUDING MATERNITY AND PATERNITY LEAVE



Accident rates



Frequency rate = n° ALCB x 1,000,000 / Hours worked of average employees
 Incidence rate = n° ALCB x 1,000 / average employees
 Seriousness rate = Days lost due to ALCB x 1,000 / Hours worked

Note: To calculate accident rates, the number of employees contributing to Social Security during the month is used on a monthly basis. This differs from the average number of employees because it only covers the number of workers under contract in each Group company at the end of the month.

It is considered that there are not any professional illness with highest incidence or risk in the Group
 (1) N° of absent days. Includes data related to illness and also maternity/paternity leave

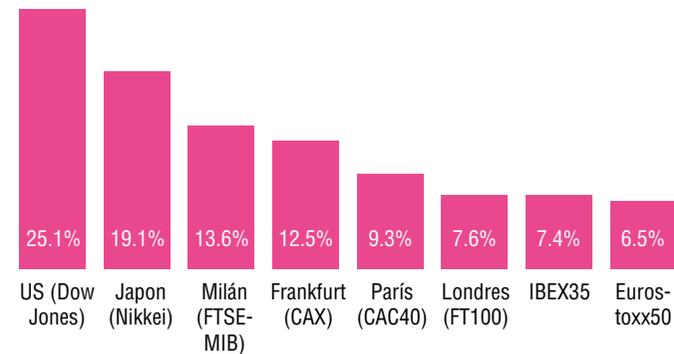
SHAREHOLDERS AND INVESTORS VALUE

AT THE END OF THE YEAR, THE MAJOR GLOBAL INDICES SHOWED A POSITIVE EVOLUTION.

2017 was expected to be a year of political uncertainties: the unknown D. Trump as the new president of the United States of America, the elections in France and Germany, the weakness of the Italian government as well as the negotiations for the Brexit made us think that a very volatile year in the global stock markets awaited. However, the market's reaction has been the opposite, with sustained and constant growth that has led the main world stock markets towards new records, where the indices of the United States, Germany and England have set new historical records throughout the year.

In this sense, the Italian FTSE MIB was the best index in Europe with a revaluation of 13.61%, thanks to the strength of financial securities; the German DAX30 was in second place with an annual increase of 12.51%, closing at record levels thanks to the good shape of the exporting companies. Third in the European ranking was the French CAC40 with a rise of 9.26%, in the year in which the election of the new president E. Macrón banished fears about the possible emergence of populism in Europe; followed by the British FTSE100 which saw a 7.63% revaluation, closing at 7,687.77 points, where the decrease in the exchange rate of the GBP, agitated by the prelude/preparation of Brexit, helped the evolution of the selective English index. For its part, the Euro Stoxx50, a benchmark in Europe, which brings together the 50 of the largest listed European companies, saw a revaluation of + 6.49%.

Performance of the world's major stock indices in 2017



Source: Thomson Reuters

For its part, in the United States the indices have closed at historically high levels with the technological securities providing a strong boost. The Nasdaq closed 2017 with an increase of 28.24%, followed by the Dow Jones which grew by 25.08%. The S&P500 was revalued by 19.42%, an index that has managed to close positively in every month of the year for the first time since 1988, with a volatility of less than 10% for more than 200 sessions, a record in 50 years. Low volatility, good macroeconomic and business data have encouraged investors to bet on stock markets and cyclical stocks.

Euro/Dollar Relation

The euro/ US dollar exchange rate had a very positive performance in 2017, continuing with the rally observed in the last month of 2016, after the election of the president, D. Trump. At the end of 2017 the euro was 1.196\$, showing a growth of 14.1%.

Oil

The price of oil in 2017 continued the previous year's trend; at the end of the year, the BRENT crude price (benchmark price in Europe for a barrel of oil) was \$ 66.87, showing an increase of 17.7% in the year. The agreements approved at the end of 2016 by the OPEC countries in order to reduce production levels supported the barrel price.

Risk Premium

The Spanish risk premium had, as in 2016, a flat evolution, around 100 points. The annual maximum of 150.3 points was reached on April 13th, and after the peak it was reduced by half until reaching its minimum of 89.7 points on July 21st. After the summer, coinciding with the increase in political tensions in Catalonia, it increased again to close at 111.8 points.

IBEX 35

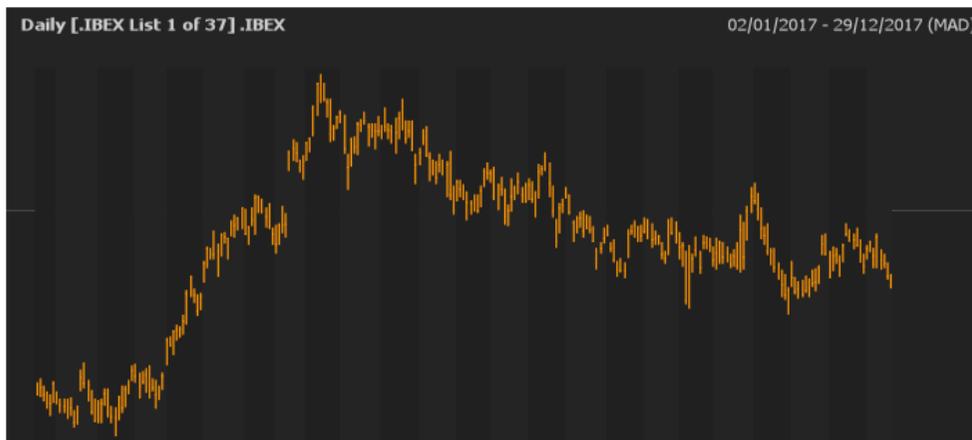
In 2017, the Spanish stock market had its best year since 2013, after growing by 7.4%, with 24 of the large stocks on the rise. In the first semester many lights were blurred by the shadows of the last quarter of the year. Until May, the selective index saw a revaluation of almost 20% and surpassed 11,100 points (some even dreamed about reaching the 12,000pp mark), but the selective index stumbled at the final hurdle with the Catalan political crisis, causing international and national investors to withdraw, waiting for political uncertainties to fade.

In this context, the selective Spanish index closed positively in seven out of 12 months of the year, reaching minimums at the beginning of the year (January 23), with 9,304.80 points and reaching its maximum on May 5, with 11,119.90 points.

The 35 largest stocks of the Spanish Stock market closed 2017 with a capitalisation of 647,436 million euros, 66,548 million euros more than the previous year. At the end of the year, Inditex, with a capitalisation of €90,523 million, was the Spanish company with the highest capitalisation; Banco Santander the second, with €88,410 million and third, BBVA bank, with €47,422 million. Mediaset España, with € 3,151 million, has been ranked No. 30 in terms of capitalisation among the Ibex35 companies.

Regarding the total IBEX35 volume traded in 2017, it was in line with the previous year: 588,323 million euros, which represents an increase of 1.8% compared to 2016. The most traded stocks were Santander, BBVA and Telefónica, which as a whole, account for 40% of the total volume of the year.

Ibex35 performance in 2017



Source: Thomson Reuters

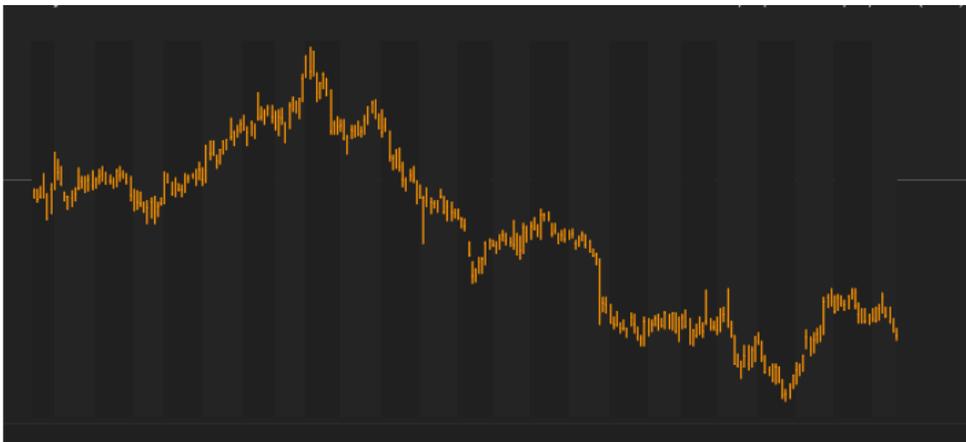
Mediaset España on the stock exchange market and its comparison with other European companies

Mediaset España closed the year at 9.36€, with a drop of 16.1%, being one of the worst Ibex35's stocks in 2017. The annual maximum was reached on May 4, the day before the dividend payment, with a value of 13.00€ (the company's maximum share price since July 16, 2015). After reaching its peak, the price decreased until reaching the annual minimum on November 10, reaching a value of €8.62. In particular, on August 29, the company's stock had one of its worst days on the stock exchange after falling 7%, that day the German television company ProSieben announced a profit warning (a warning given by a listed company, communicating that its results will suffer a sharp decline in benefits). This announcement had a contagious effect on the share prices of the main European television companies, due to the investors fear that the situation experienced in Germany could be repeated, in some way, in other countries of the region, a situation that did not occur.

The average daily shares traded were 1,290,029, representing a 19% decrease with respect to the previous year, while in euros the traded daily average was € 14,153,425.65.

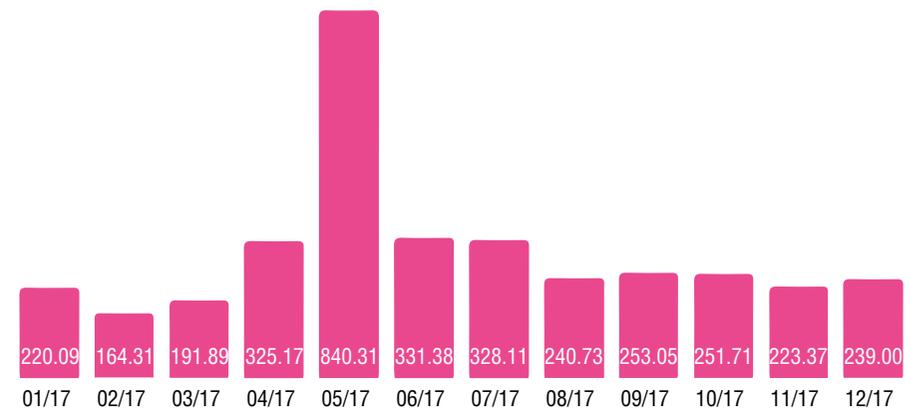
The total volume traded by Mediaset España in 2017 was € 3,609.1 million, with a variation of - €315 million, representing a decrease of 14.5% compared to the previous year. The total volume of shares traded in 2017 was 354.3 million compared to 411.5 million in 2016. May, coinciding with the payment of the annual dividend, was the month in which the highest number of Mediaset España shares were traded.

Mediaset española's share price performance in 2017



Source: Thomson Reuters

Performance of Mediaset España's traded monthly volumes (€) in 2017



Source: Thomson Reuters

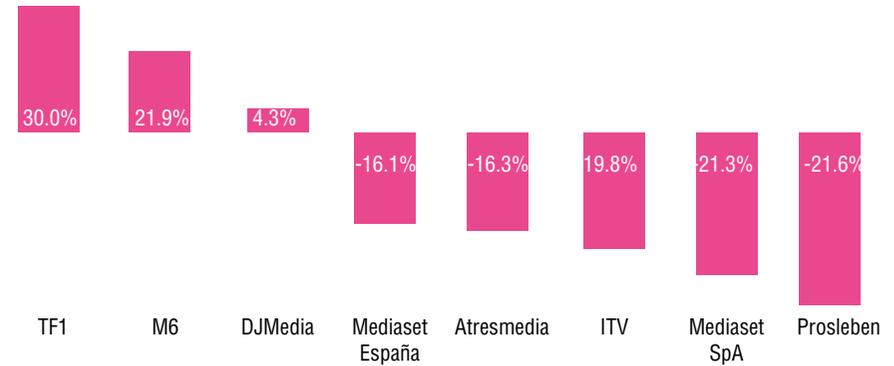
Mediaset España's market capitalisation, at 31st of December, was € 3,151.3 million, a decrease of €600 million compared to the previous year.

In the market capitalisation ranking, Mediaset España leads among the media companies in the Spanish Market, with a difference of more than € 1,187 million compared to its closest competitor (Atresmedia) and 33% higher than the sum of the companies in the sector.

The stock market performance of the main media companies in Europe was negative. Prosieben led the decreases with -21.6%, as a result of the investors punishment after the aforementioned profit warning. The French companies TF1 (+ 30%) and M6 (+ 22%) had a positive performance, distancing themselves from the rest of European operators; the investors bet on French stocks after the election of E. Macrón as the new French president, who, in his electoral program some included favorable reforms for the TV sector.

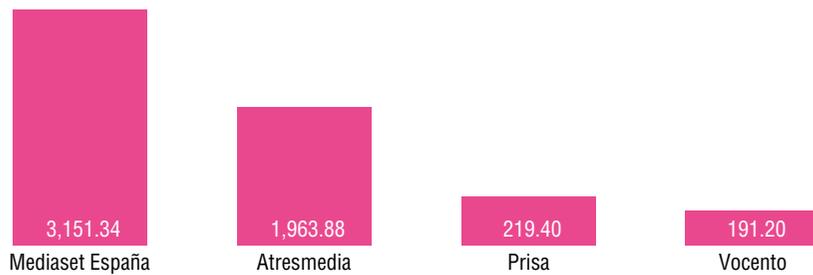
In terms of capitalisation, Mediaset España is, one more year, in fourth place in the European broadcasters ranking, behind ITV, Prosieben and Mediaset SpA.

Share price performance in the main media companies in Europe in 2017



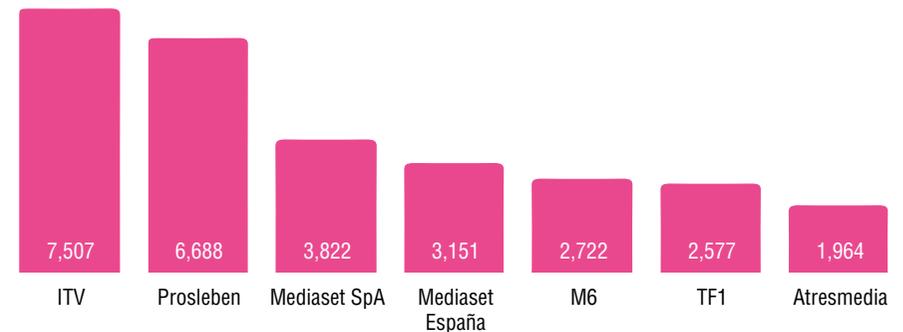
Source: Thomson Reuters

Capitalisation of the main media companies in Spain in 2017



Source: Thomson Reuters

Capitalisation of the main media companies in Europe in 2017



Source: Thomson Reuters

Investor relations and shareholder office

In 2017, the Mediaset España's Investor Relations Department and the Shareholder Office had an activity level very similar to that of the previous year, which demonstrates an important level of interest from investors, as well as a great way for the company to communicate with this group.

Thus, the company has taken part in 22 conferences held in Spain, the United Kingdom, France, Switzerland and the United States, devoted to media companies as well as companies in Spain and Portugal.

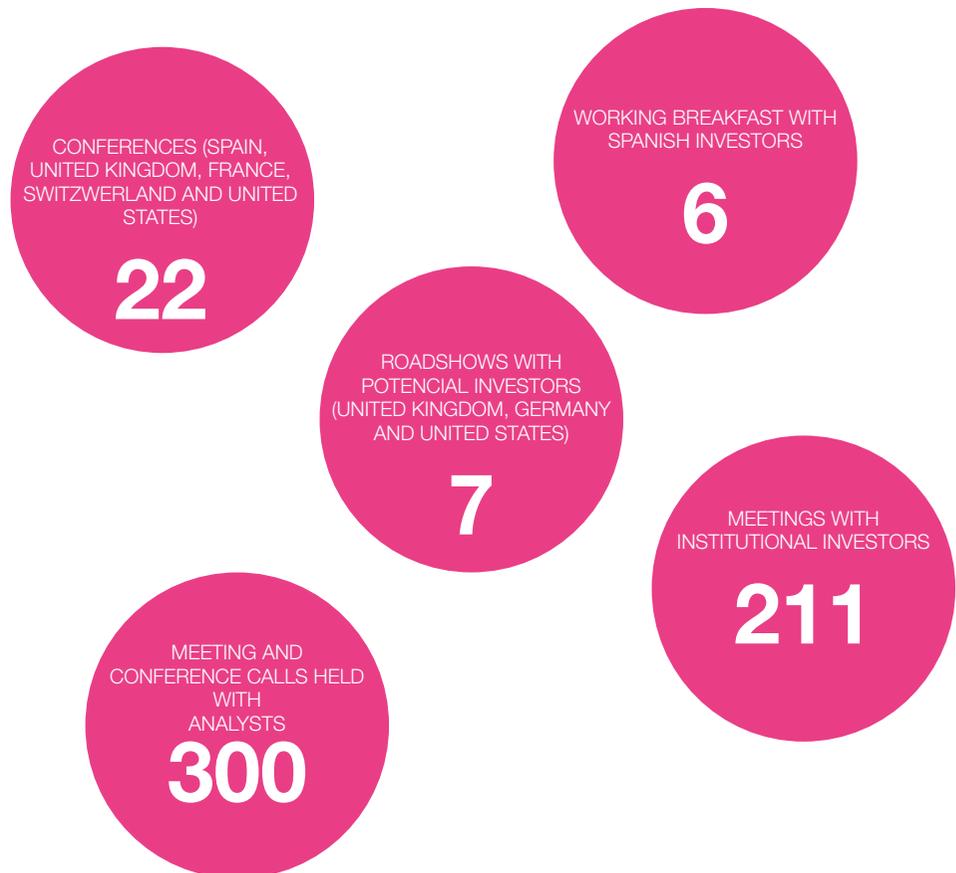
Additionally, the company has organised 6 working breakfasts with Spanish investors and 7 roadshows with potential investors in Europe: United Kingdom (London and Dublin), Germany (Frankfurt) and the United States (New York, Boston and Chicago).

During the year, 211 meetings were held with institutional investors, either in person or via conference call, which allowed direct contact with over 550 investment companies.

Likewise, about 300 meetings and conference calls were held with the analysts from the various brokers that cover the company and about 5,000 emails have been exchanged with them during the year.

The company has completely renovated its website (<http://www.mediaset.es/inversores/es/>), becoming a responsive website, i.e., it automatically adjusts to the format of the device that users uses to access it, aiming to help and improve the experience of access to company's information. At the same time, the information published on the website has been constantly updated throughout the year, highlighting specific information that is considered most relevant for shareholders and investors. The company has also tried to expand the range of services and information offered to the large audience.

With regard to the attention offered by Mediaset España to minority shareholders, it is worth noting that communication has been solidly maintained with these shareholders during the year either by telephone or by email. In quantitative terms, every month an average of 100 emails and 100 telephone calls were received, which are dealt with by the Shareholders Office. Most of the questions raised by minority shareholders concern the payment of dividends, holding of general meetings and the Company's share price.



Main questions raised by investors

What is the market performance in 2017 and why has the market performance been negative in the second quarter?

Until the end of September the TV advertising market has grown by 0.8% and TV has maintained its strength among conventional advertising media. The evolution of the first semester was surprising as it was lower than expected (+ 0.1%): the first quarter grew + 4% while the second closed with a decline of -3%.

The entire decrease of the second quarter in 2017 was concentrated in April, while May and June were positive, although less than expected; the surprise occurred mainly in June where, despite the Eurocup, the comparison was "easy". The explanation of the negative performance of the second quarter is concentrated in two sectors that represent more than 15% of television investment, such as Health and Beauty; the sharp decrease in the telecommunications sector has also contributed.

Is there a structural problem that can explain the reason why the advertising market grew at a lower rate than Spanish economy in 2017?

It is true that taking into account the strong evolution of the Spanish economy, the TV advertising market should have grown more in 2017. It is true that the market decrease in the second quarter was totally unexpected, but we consider that it was an isolated case, and the market reverted back to its positive trend in the last two quarters of the year.

The interrelationship between the economy and the advertising market has never been linear and it is not a ratio on which conclusions can be drawn based on the analysis of data from short periods. A quarter, even a yearly measurement can distort the perception of reality. It would be more correct to take long-term data. For example, calculating the compound annual growth rate (CAGR) of the advertising market between the 4th quarter 2013 and the 4th quarter 2017 (estimated), the evolution has been + 6%; a figure much higher than the growth of the Spanish economy in the same period.

The interrelationship between the economy and the advertising market is in good health. What we are seeing in the short term is nothing more than a cyclical evolution, typical of the sector in which Mediaset España operates.

What is Mediaset España's advertising price policy in 2017?

In a market where almost all TV operators' advertising space is sold, growth comes from prices. We are almost fully occupied and there are almost no spaces available, so the price variable is what determines market growth. For 2017, excluding the impact of the Eurocup 2016, our objective is to increase prices between + 4% and + 6%, although obviously the final increase will depend on market growth. We have also set the objective of reducing the differential price with our main competitor, so we expect to increase our prices above the market average.

What is the company's forecast in terms of market share in 2017?

In 2016 the company ended, one more year, as an investment leader. In the fourth quarter of 2016 our result was slightly lower than expected. However, we managed to close the year with a share of 43.3% (compared to 42.1% of our main competitor). The Eurocup also influenced this result as it represented 0.6 points of the investment share.

For 2017 our goal is to repeat our leadership in revenues. To that end, we must have a total annual investment share above 43%, a level that guarantees leadership. This means repeating the 2016 share without having the impact of a major sporting event, which means that we must compensate the 0.6 represented by the European Championship, and with our competitor broadcasting the Champions League. It is an ambitious goal, but it is with no doubt within our reach.

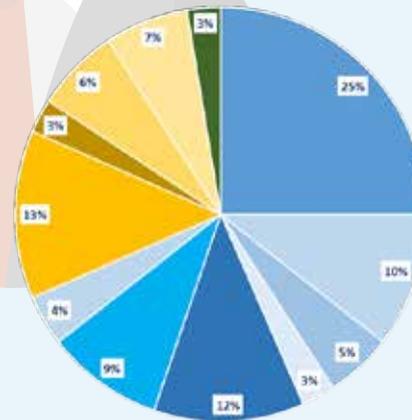
What costs' level will the Company have in 2017 and 2018?

In 2017 we managed to maintain the leadership in audiences and in the advertising market share, the latter with an increase in the advantage over the second operator, and this without taking into account the broadcast of major sporting events.

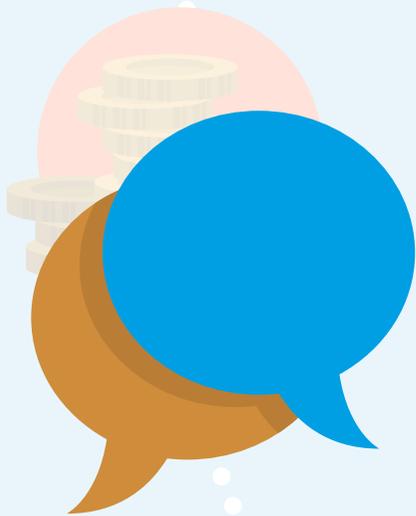
The cost guidance at the beginning of the year was € 770 million, which meant a slight increase in costs compared to the previous year, justified by the launch of the new BeMad channel and by the group's investments in the digital environment, as well as a normal impact of inflation. After the weak performance of the advertising market in the second quarter, the Group achieved savings that managed to capitalise, in such a way that the definitive cost guidance for 2017 was reduced to €750 million.

Regarding 2018 costs, we will give guidance, with a specific amount, when the Board of Directors approves the annual budgets. We can however, preliminarily anticipate that recurring costs are expected to be in line with those of the previous year, to which the investment for the 2018 Russian Soccer World Cup rights have to be added.

Main questions raised by investors



- ADVERTISING MARKET
- BILLING AND MARKET SHARE
- PAY TV AND OTHER OPERATORS
- AGENCIES DISCOUNTS
- PRICE/VOLUMES
- SECTOR EVOLUTION
- CINEMA/OTHER INCOME
- 2017 COSTS
- 2018 FOOTBALL WORLDCUP RIGHTS
- 2018 COSTS y+
- OTHER FINANCIAL
- SHAREHOLDER'S REMUNERATION



ECONOMIC AND FINANCIAL PERFORMANCE

Find below the main financial and economic data for Mediaset España's Group though all financial information is properly detailed and explained throughout the Financial Statements.

Consolidated financial statements (thousand euros)

	2015	2016	2017
Current Assets	469,285	436,931	408,225
Non-Current Assets	916,860	865,772	826,771
Total Assets	1,386,145	1,302,703	1,234,996
	2015	2016	2017
Equity	1,069,903	983,291	900,077
Current Liabilities	289,836	284,756	302,482
Non-Current Liabilities	26,406	34,656	32,437
Total Liabilities	1,386,145	1,302,703	1,234,996

Summary of Separate Consolidated Income Statement (thousand euros)

	2015	2016	2017
Total net operating income	971,931	991,983	996,257
Operating costs	766,747	767,548	750,917
Operating profits	205,184	224,435	245,340
Profit/(loss) before taxes and minority interests	219,140	225,815	247,408
Net profit/(loss), group¹	166,167	170,997	197,496

1. Attributable to the Parent Company's shareholders

Operating income and expenses (thousand euros)

Income	2015	2016	2017
Group advertising revenues	897,973	926,916	928,695
Other advertising revenues	3,815	2,515	3,182
Provision of services	48,824	47,578	47,368
Other	7,279	8,029	6,404
Other operating income	14,040	6,945	10,608
Total	971,931	991,983	996,257

Operating expenses	2015	2016	2017
Decrease in inventories of finished goods and work in progress	(4,832)	(164)	692
Procurements	236,276	240,917	229,660
Staff costs	105,041	105,872	105,646
Amortisation of audio-visual rights	205,156	205,455	186,849
Depreciation/amortisation	17,099	17,924	18,659
Change in operating provisions	388	(5,999)	(1,748)
Other expenses	207,619	203,543	211,159
Total operating charges	766,747	767,548	750,917

Generated and distributed economic value (thousand euros)

	2015	2016	2017
Generated economic value	971,931	991,983	996,257
Distributed economic value			
a. Operating costs	766,747	767,548	750,917
b. Taxes and minority interests	52,974	54,818	49,912
c. Donations and community investments ¹	25,800	10,656	13,447
Total distributed economic value	845,521	833,022	814,276
Retained economic value ²	126,410	158,961	181,981

1 Refers to donations made to non-governmental organizations and advertising spots given to NGOs free of charge.

2 Retained economic value = generated economic value - distributed economic value.



For further information visit our corporate web page:
<https://www.mediaset.es/inversores/en/>

TAX TRANSPARENCY

IN 2017, THE TAX CONTRIBUTION OF THE MEDIASET ESPAÑA GROUP HAS AMOUNTED TO MORE THAN 193 MILLION EUROS.

As already indicated in the 2016 Annual Report, in that financial year the Group was subject to tax verification actions by the Tax Agency's Central Delegation of Large Taxpayers in relation to 2011 to 2014 (VAT, Companies, IRPF and Non-residents). The result of this revision was actually satisfactory given that, taking into account the Group's turnover during the years under review, as well as the amount of the taxes accrued, the Minutes taken, and signed in accordance, were for a really insignificant amount in relative terms, 1.1 million euros.

The result of this inspection reveals the scrupulous respect that the Company has for the tax regulations, adjusting its actions to the not-so-changing regulatory scenario. Furthermore, the quality of the information and documentation generated allowed the abovementioned verification actions to be completed in a very short period.

The activity of the Mediaset Group outside of Spain is concentrated, almost exclusively, in the company "Netsonic S.L.", a company domiciled in Spain that has subsidiaries in Mexico, Colombia, the US and Peru. The activity of this company consists in the sale of programmatic advertising in digital media located in the mentioned countries.

Apart from this, the Group has a shareholding in "Pegaso TV" which, in turn, and through the company CaribeVisión, participates in a free to air television business based in Miami. It should be noted that, in this case, it is a minority shareholding in a company and it does not have any management control, the results are included in the Group's financial statements through the equity method.

As of July 1, 2017, due to the changes introduced into the Value Added Tax Regulation by the Royal Decree 596/2016 of December 2 for the modernisation, improvement and promotion of the use of electronic means in the management of the Value Added Tax (VAT), it changed to a new book-keeping system for VAT register books that is carried

out through the State Tax Administration Agency's (AEAT) electronic headquarters and called Immediate Information Supply (SII). Although this system was implemented on July 1, 2017, taxpayers were required to have the first semester of 2017 loaded before December 30 of that year; an objective that Mediaset España completed on September 31, 2017. The companies of the Mediaset España Group that were obliged to enter the SII were Mediaset España Comunicación, Telecinco Cinema, Publiespaña, Mediacinco Cartera (as they are part of the same consolidated VAT group), Publimedia Gestión and Connect 5 (due to them being large companies).

The management team has decided that in 2018 the rest of the companies that are subject to the tax will also enter into the system, on a voluntary basis; Advertisement 4 Adventure, Sogecable, Editorial Group and Netsonic.


Tax paid by Mediaset España Group (thousand euros)

	2017
Spectrum Reservation fees	764
Property Tax	330
Business Activities Tax	102
Personal Income Tax on Investment Income	2,987
Value Added Tax (VAT)	95,164
Non-resident income tax	13,515
Personal Income Tax on Lease Income	10
Personal Income Tax on Earned Income, Economic Activities, Awards	23,885
Personal Income Tax on Earned Income, Economic Activities, Awards (Basque Country)	63
Corporations Tax Instalment payments	40,023
Corporations Tax	(8,549)
Solid Urban Waste Tax	44
Vehicle Entry Tax (No Parking)	12
RTVE Finance Contribution	24,449
CNMV Fees	51
Gaming Taxes and Administrative Fees	881
TOTAL	193,730

 INCURRED TAXES
 (THOUSAND EUROS)

58,107 €

30%

 COLLECTED TAXES
 (THOUSAND EUROS)

135,623 €

70%

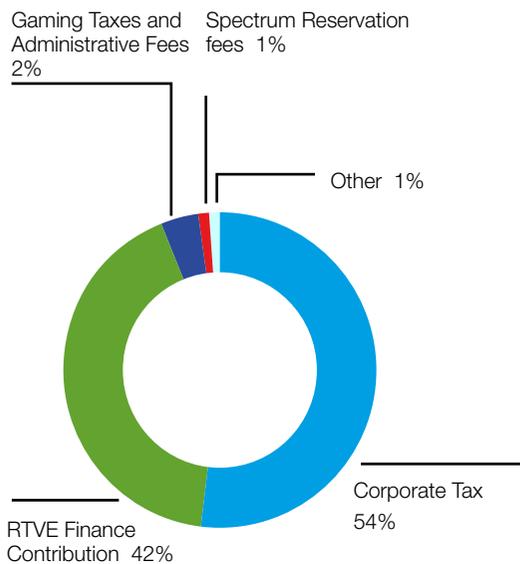
 TOTAL TAX CONTRIBUTION
 IN SPAIN IN 2017
 (THOUSAND EUROS)

€ 193,730

Note (1) **Incurred Taxes:** Spectrum Reservation fees; Property tax; Business Activities Tax; Value Added Tax (VAT); Corporations Tax; Solid Urban Waste Tax; Vehicle Entry Tax (No Parking); RTVE Finance Contribution; CNMV Fees; Gaming Taxes and Administrative Fees.
 Note (2) **Collected Taxes:** Personal Income Tax on Investment Income; Non-resident income tax, Personal Income Tax on Lease Income.

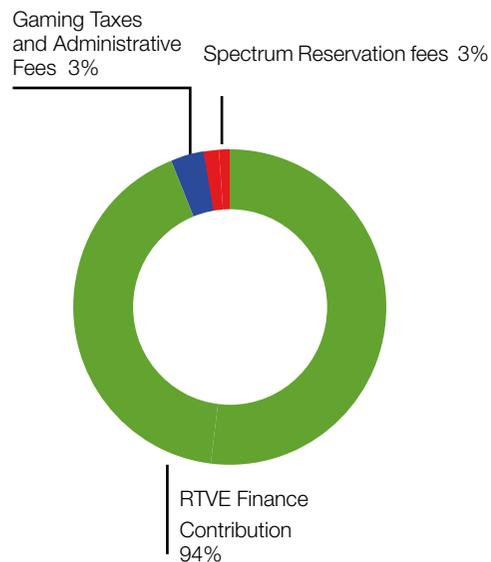
Mediaset España Group Incurred Taxes 2017

The taxes incurred by the Mediaset España Group in 2017 exceeded 58 million euros, with 54% corresponding to Corporate Income Tax and 42% to RTVE Finance Contribution.



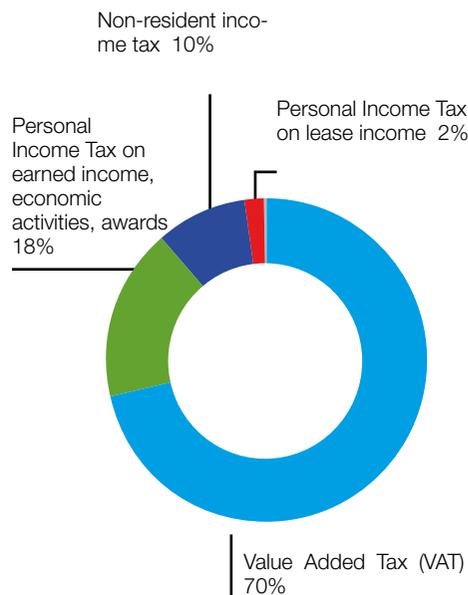
Business activity specific taxes/fees

The incurred fees or taxes of specific activities in 2017 exceeded 26 million euros, with 94% corresponding to the RTVE finance contribution.



Collected Taxes

The taxes collected by the Mediaset España Group during 2017 exceeded 135 million euros, with 70% of the tax contribution corresponding to value added tax (VAT) and almost 18% to the Personal Income Tax on Earned Income, Economic Activities and Awards.



The Mediaset Group's Tax Contribution with regards to revenues in 2017

20% of the Mediaset España Group's turnover is used to pay taxes, of which 6% corresponds to incurred taxes and 14% are collected taxes.

Total Tax Contribution Ratio in 2017

In 2017, the ratio for the Mediaset España Group's Total Tax Contribution in Spain amounted to 23%. The incurred taxes represent 23% of the total consolidated profit before taxes.

Tax contribution outside Spanish territory

The tax contribution of the Mediaset España Group outside Spanish territory is limited to Non-resident income tax (Mediaset España, Telecinco Cinema and Netsonic) and the taxation in each country where there are subsidiaries of the Netsonic Group. (1)

The contribution of the Group's companies in the countries where they have activity are, mainly, related to the volume of current operations through indirect taxes such as VAT. The recent creation of the companies that make up this Group means that their contributions for Corporate Tax or Profit Tax are very small.

(1) Note: Netsonic Group is formed by subsidiaries in Mexico, Colombia, USA and Peru.

Grants received (thousand euros)

GRANTS RECEIVED
FROM THE INSTITUTE OF
CINEMATOGRAPHY AND
AUDIO-VISUAL ARTS, FOR
FILM CO-PRODUCTION¹

600

OTHER GRANTS RECEIVED
FROM PUBLIC BODIES

0

GRANTS RECEIVED FROM
NON-GOVERNMENTAL
SOURCES²

14

(1) Corresponde a las subvenciones recibidas por Telecinco Cinema, en el marco de las ayudas para la amortización de películas cinematográficas de largometraje.

(2) Corresponde a la subvención recibida de Fundación Biodiversidad, en el marco de la Convocatoria de Concesión de Ayudas para el Fomento de la Información Ambiental.

Reconciliation between the annual Profit before tax and Corporate Tax (thousand euros)

	2017		2017
Consolidated profit for the year before tax	247,408	Taxable income	228,069
Consolidation perimeter changes	59	Tax payable (25%)	57,017
Permanent differences	1,611	Offsetting negative taxable incomes	(14,254)
Temporary differences	(21,009)	Deductions and rebates	(11,284)
Taxable income (tax result)	228,069	Withholdings	(40,028)
		Corporate Tax rebate	(8,549)

Note: Effective tax rate deferred the nominal tax rate due to the audio-visual production deductions.

Negative Taxable Income (thousand euros)

CONECTA 5

6,703

MEDIACINCO CARTERA

149,425

NETSONIC

1,167

Other data of interest

PERCENTAGE OF INTRA-GROUP PURCHASES WITH REGARDS TO TOTAL PURCHASES

21.29%

PERCENTAGE OF THE INTRAGROUP DEBT WITH REGARDS TO THE TOTAL DEBT

0

FINANCIAL COST OF THE DEBT

0

COSTE FINANCIERO DE LA FINANCIERÍA DE LA INTRA-GROUP DEBT

0

TOTAL EXTERNAL DEBT

0

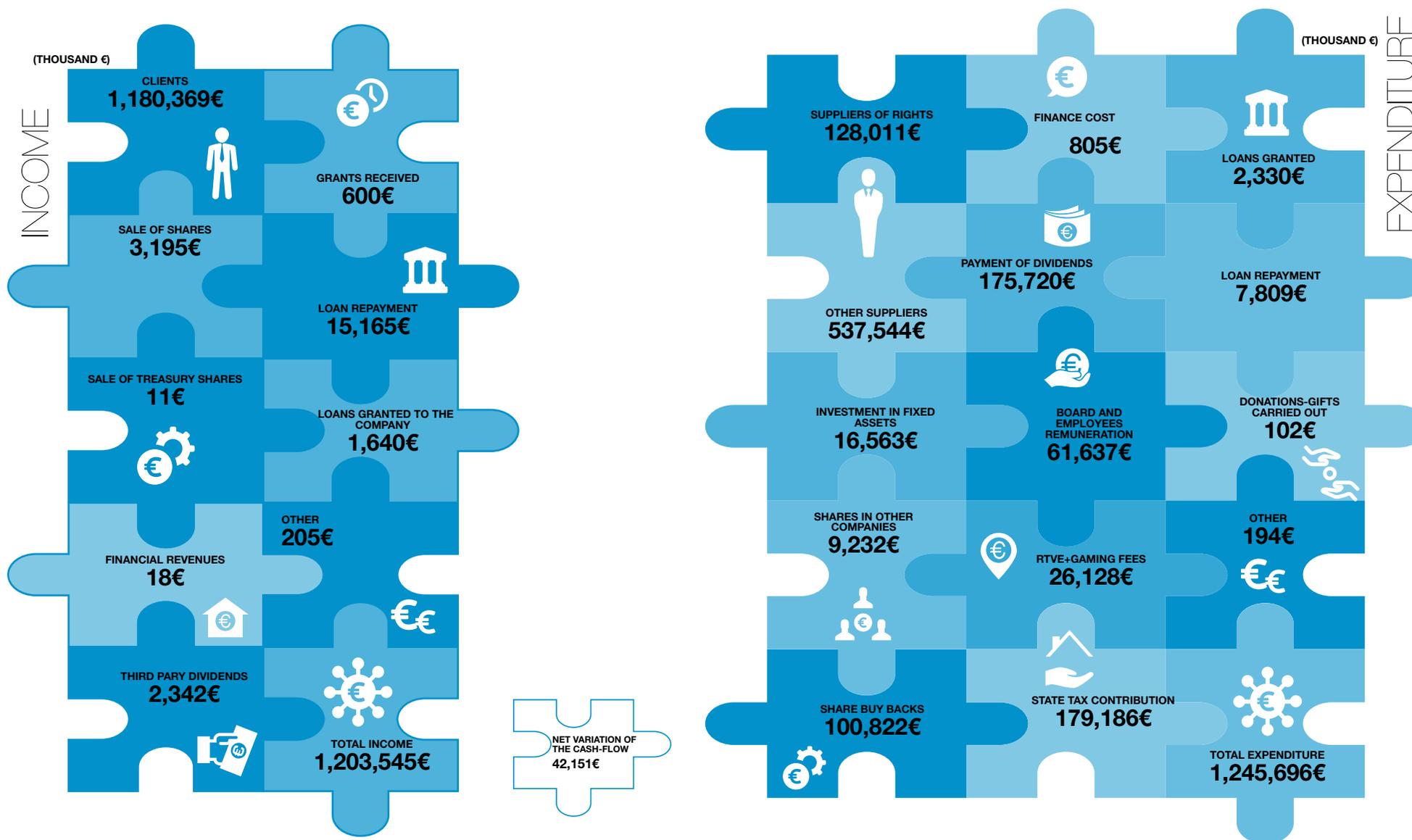
TAX EXEMPTIONS GRANTED (THOUSAND EUROS)¹

71,001

¹The only tax exemptions correspond to the dividend exemptions, in accordance with the Corporate Tax Law.

SOCIAL CASH FLOW

Through the following social cash flow, Mediaset España intends to measure and report on the contribution of real value to the company in which it operates, through the cash flows generated and distributed by the company.



Note: The criteria used for social cash flow during 2017 was, as stated, the cash movement criteria, which differs from the accrual criteria used in the accounting information. At the same time, intra-group accounts have not been considered, neither has the company's contribution through the free **assignment of advertising spots** for charitable causes been taken in account, as they did not imply a cash movement. In 2017, they were valued at **€13,340,773**.

VALUE FOR SOCIETY

IN ORDER TO TACKLE ALL OF ITS CAMPAIGNS, 12 MESES HAS RELIED ON AND CONTINUES TO RELY ON EXHAUSTIVE JOURNALISTIC WORK, IDENTIFYING THE CRITICAL POINTS THAT NEED TO BE ADDRESSED IN THE FIRST INSTANCE.

12 Meses' a benchmark for social responsibility within the media business for 18 years.

Detecting and meeting society's needs by focusing on ways of cooperating has once again been 12 Meses' commitment, Mediaset España's social action initiative, which in 2017 celebrated reaching 18 years of work in the field of information, awareness and the positive call to action.

During 2017, 12 Meses started its fight against bullying through the campaign 'Se buscan Valientes' in which for the first time in an initiative of this nature, the importance was given to the witness. At the same time, the alliance with the National Transplant Organisation to publicise organ donation through 'You are perfect for others' which began in 2012 has continued. And it has been a pioneer in terms of bringing attention to the early detection of breast and prostate cancer with its initiative 'MinimalMama & MinimalPapa'.

This year, 12 Meses has also supported other social organisations through various initiatives, together with the ACNUR's Spanish Committee, such as the premiere of the documentary 'La Niña Bonita', which focuses on the Syrian refugee crisis; or the Madwomen Fest, in which many people from the cultural field against gender violence have taken part. 2017 was also the year in which Mediaset España signed an agreement with the Emergency Committee whereby Mediaset España has established an alliance with six of the big NGOs that work when an international humanitarian emergency situation is declared in order to make an appeal to the audience using a single voice. This year, in addition, given the company's effort to become a speaker for social causes, has helped to disseminate the action developed by the Fundación Querter which pursues the creation of an educational centre for children with neurological diseases.

In order to tackle all of its campaigns, 12 Meses has relied on and continues to rely on exhaustive journalistic work, identifying the critical points that need to be addressed in the first instance, the appropriate partners to carry out- the development of campaigns, how deliver the message to its viewers to achieve their maximum support and the call to action through different initiatives on their News programmes, in-house production programmes, webs and social networks.

Together with its work as a content creator, 12 Meses has carried out a big promotion of its objectives to give publicity and put each of its social advertising initiatives into the spotlight, to once again be a benchmark in social actions in the media with its creative team, Mediaset España's Communication and External Relations Management, and the participation of the whole company, has not only provided its coverage and contents, but also its advertising space, with the broadcast of 4,186 grps through the broadcasting of different spots, which converts into an economic value of more than 7.6 million euros.



SE BUSCAN VALIENTES

2,464

BROADCAST

15,000,000

VIEWS

www.sebuscanvalientes.com

8

AWARDS

Se buscan valientes against bullying, the most widespread and viral campaign of 12 Meses

Fighting against bullying was in 2017 one of the main social awareness objectives of Mediaset España and 12 Meses. To this end, 12 Meses began its eighteenth year with the launch of 'Se buscan valientes', a campaign aimed at eradicating this problem with the latest developments and protocols of action, based on the involvement of the witnesses to the conflict. Aimed at children and young people, led by Juan Manuel Montilla 'El Langui', 'Se buscan valientes' has become the most successful and viral campaign of all those undertaken by 12 Meses. To date, the rap performed by 'El Langui', which has become an anthem against bullying, has recorded more than 15 million views on the internet and the campaign, in total, has won 8 awards: the Internet Award for Best Online Advertising for Social Action, the Gran Premio of the Children's Communication Festival El Chupete in the Film and Television category, an event in which it also won three other awards in the categories of Other Media (Music), Web Page and Media communication, Special Mention in the Solidarity Awards 2017 and the 2017 Magisterio Award, awarded for its contribution to educational development.

The campaign 'Se buscan valientes' was based on the rap 'Se buscan valientes', which, using friendly vocabulary tells the listener about the attitudes needed and the resources available to them to face situations of abuse, and had, in addition, five institutional spots, broadcasted on all Mediaset España channels, in addition to the distribution and support given in all the in-house production programmes and corporate social networks. The website Sebuscanvalientes.com has also been one of the greatest supporters of this initiative, which has reached both Spanish educational centres and other organisations and institutions such as the National Police, the Guardia Civil, Save the Children or the Anaya Foundation, among others that have selflessly helped the diffusion of the main arguments. The web creates an online workspace that informs people about the reality of bullying, gives guidelines for its detection and eradication and offers useful information in specific cases.

The web site also offers institutional information of the campaign, such as the rap, available to download and share on social networks, as well as the spots broadcasted on all Mediaset España channels and other information of interest, including the number assigned by the Spanish Ministry of Education, Culture and Sports (900 018 018) in order to report situations of bullying, as well as the contact of the Anar Foundation to Help Children and Teenagers at Risk. In this virtual workspace, action guidelines are also offered for students, parents and teachers and a series of tools to combat bullying.



YOU ARE PERFECT FOR
OTHERS

698

SPOTS

PREMIO

ALCER NAVARRA

12 Meses celebrates life with 'You are perfect for others'

'Celebrate life! Celebrate second opportunities because you are perfect for others! That was the new claim with which 12 Meses resumed the campaign 'You are perfect for others' during 2017, the result of the partnership initiated in 2012 with the National Transplant Organization (ONT) to promote organ donation. The presenters Florentino Fernández and María Gómez were the influencers in charge of promoting organ donation and showing its positive effects. The premiere of this new campaign coincided with the celebration in Malaga of the XXI-Twenty first Edition of the World Transplant Games which 12 Meses covered on its website, social network and Mediaset España's channels. The sports competition was a clear example of the spirit of achievement and also the best way to show that although sequels are not always very good, sometimes they are a great reason to celebrate.

Minimalmama & Minimalpapa, a couple with awareness in the prevention of breast cancer and prostate cancer.

Useful, necessary, iconic and fun. That is how Minimalmama & Minimalpapa are, the protagonists of the campaign for the joint early detection of breast and prostate cancer launched for 12 Meses at the beginning of November on the Internet and social networks and, given its excellent reception, jumped to Mediaset España's channels under the motto 'We want you to take care of yourself'. The campaign received advice from the Spanish Association against Cancer (AECC) and showed with positive and optimistic language different aspects of the two most diagnosed cancers of men and women in our country.

'We want you to take care of yourself' emphasised four basic aspects in the fight against cancer: early diagnosis, hereditary factor, physical exercise and healthy eating. Each one of these aspects forms the main concept of the four spots on which the campaign was based, starring Minimalmama and Minimalpapa, an animated couple of a "man", exemplified in a moustache inspired by the aesthetics of the movement 'Movember', and a "woman", designed as a small mum, who speaks about different daily situations and the need for periodic reviews, the importance of the genetic factor and the incorporation of healthy habits into their respective lifestyles. With its 360° design, the campaign also took the leap out onto the street with the Mostacho Run, a charity race for the benefit of the AECC, in which Minimalpapa and Minimalmama participated as exceptional animators.

'La niña bonita', a documentary about the drama of the refugees through two parallel lives

Six years after the start of the Syrian conflict, more than four million people have become refugees, have left their homes and sought refuge in neighboring countries such as Lebanon, Jordan, Iraq, Turkey and Egypt. They have no hope of returning home in the near future and have limited opportunities to restart their lives in exile. In cooperation with the ACNUR's Spanish Committee, 12 Meses took part in the production and broadcasting of 'La niña bonita', a documentary about the Syrian refugee crisis through the story of two teenagers marked by the exodus from the war and the violence. 'La niña bonita', which is the first work in the documentary genre of the filmmaker Julieta Cherep, is based on two parallel stories: that of the Hala family, a young Syrian refugee in the north of Greece, and that of Julieta herself, whose mother, the journalist Mirta Drago, Mediaset España's Director of Communication and External Relations, who lived with her parents and brothers in the 70s and experienced the uprooting drama through the different dictatorships that ravaged Chile and Argentina.

'WE WANT YOU TO TAKE CARE OF YOURSELF' EMPHASISED FOUR BASIC ASPECTS IN THE FIGHT AGAINST CANCER: EARLY DIAGNOSIS, HEREDITARY FACTOR, PHYSICAL EXERCISE AND HEALTHY EATING.

WE WANT YOU TO TAKE CARE
OF YOURSELF

372

BROADCAST

LA NIÑA BONITA

35,279

VIEWS

www.laniñabonitadocumental.com

'WE WANT YOU TO TAKE CARE OF YOURSELF' EMPHASISED FOUR BASIC ASPECTS IN THE FIGHT AGAINST CANCER: EARLY DIAGNOSIS, HEREDITARY FACTOR, PHYSICAL EXERCISE AND HEALTHY EATING.

Mediaset España's alliance with the Emergency Committee

'Together we save more lives'. This is how the Emergency Committee defines itself, the sum of six large international NGOs (Action against Hunger, Acnur, Doctors of the World, Oxfam, International Plan and World Vision) whose objective is to get help quickly and effectively to situations of humanitarian emergencies. As a means of communication, Mediaset España has become the loudspeaker to amplify the message of urgent help launched by these NGOs and thus request the audience's solidarity in order to generate resources and alleviate the effects of the tragedy in the shortest possible time.

Madwomenfest, artists united against gender violence

Remaining faithful to its historical fight against gender violence through 12 Meses social campaigns such as 'Doy la cara' or 'With trafficking there are no deals', Mediaset España joins the Madwomen Fest as media-partner, the first international musical and cultural event whose objective is to raise awareness in society in favour of equality and against gender violence. Promoted by the Spanish soprano and composer Pilar Jurado, Madwomen Fest had a wide range of cultural activities crowned by the celebration of a concert, held on October 26, which featured important musical figures, such as Sole Giménez, David Demaría, Soraya or Diego Martín. Likewise, Ana Rosa Quintana, Javier Ruiz and Carme Chaparro were just some of Mediaset España's faces that joined this cause.

The fight against rare diseases through the Fundación Querer

Promoting the research into rare diseases has been another one of 12 Meses' objectives in 2017. To achieve this, it has joined the Fundación Querer a non-profit institution chaired by the journalist Pilar García de la Granja who day after day fights to improve the lives of thousands of children who suffer from these types of diseases. The Foundation launched its most ambitious project last year: Celia and Pepe's school, a campaign that 12 Meses has made its own by focusing on the importance of creating a specialised centre for the education of children with neurological diseases that make it impossible for them to go to an ordinary school. The entire campaign is hosted on the 12 Meses' website and has been widely distributed through social networks.

THE FIGHT AGAINST RARE ILLNESS

**448
BROADCAST**



GLOBAL COMPACT COMPLIANCE



HUMAN RIGHTS

PRINCIPLE 1 Companies must support and respect the protection of fundamental human rights, internationally recognised, within their area of influence.

Managed by Mediaset España:

- Content Management
- Team Management
- Supply Chain Management

PRINCIPLE 2 Companies must ensure that their companies are not complicit in the violation of Human Rights.

Managed by Mediaset España:

- Content Management
- Team Management
- Supply Chain Management



EMPLOYMENT RULES

PRINCIPLE 3 Companies must support the freedom of association and the effective recognition of the right to collective bargaining

Managed by Mediaset España:

- Team Management

PRINCIPLE 4 Companies should support the elimination of all forms of forced or coerced labour.

Managed by Mediaset España:

- Team Management
- Supply Chain Management

PRINCIPLE 5 Companies should support the eradication of child labour.

Managed by Mediaset España:

- Team Management
- Supply Chain Management

PRINCIPLE 6 Businesses should support the abolition of employment and occupation discrimination

Managed by Mediaset España:

- Team Management
- Supply Chain Management



ENVIRONMENTAL

PRINCIPLE 7 Companies should maintain a preventive approach that favours the environment.

Managed by Mediaset España:

- Environmental Performance

PRINCIPLE 8 Companies should encourage initiatives that promote greater environmental responsibility.

Managed by Mediaset España:

- Environmental Performance

PRINCIPLE 9 Companies should promote the development and diffusion of environmentally friendly technologies,

Managed by Mediaset España:

- Environmental Performance



ANTICORRUPTION

PRINCIPLE 10 Companies must work against corruption in all its forms, including extortion and bribery.

Managed by Mediaset España:

- Risk Management System



Pacto Mundial
Red Española



COMMITMENT WITH SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development is the new international agenda that addresses the goals of the international community in the period 2016-2030 for the eradication of poverty and to promote sustainable and equitable development. It has been drafted in an international consultation process coordinated by the Nations, which began in 2012 and ended in September 2015, with its formal announcement at the United Nations Assembly. This was attended by, and involved, States, companies, third sector organisations from all countries of the world and all its citizens.

This Agenda consists of 17 Sustainable Development Objectives and 169 goals to achieve them, through these goals, the three dimensions of sustainable development are addressed in a more comprehensive and balanced manner.



Thus it configures a global agenda to face and solve our planet's most pressing problems: to eradicate poverty, to extend access to human rights, to achieve a global economic development that is sustainable and respectful of the planet and the resources it offers. Each Government must define its roadmap related to Agenda 2030, depending on its social, economic and environmental reality.



Mediaset España and the Sustainable Development Goals (SDGs)



ENVIRONMENTAL PERFORMANCE

MEDIASET ESPAÑA PROMOTES MEASURES THAT HELP MANAGE AND MINIMISE THE ENVIRONMENTAL IMPACT OF ITS ACTIVITY, AS WELL AS FIGHTING AGAINST GLOBAL WARMING

Although, Mediaset España does not carry out activities that are considered intensive in terms of the use of natural resources or with a significant environmental impact, it has made a commitment to do business in a sustainable manner, compatible with the environment, promoting measures aimed at managing and minimising their environmental impact. All this is reflected in its environmental policy.

In turn, the company takes advantage of the impact its channels and internet platforms have to spread and raise awareness among its audience about caring for the environment, extending its commitment beyond its activity. This issue is developed in the section "Entertainment, News and Social Content" of this document.

In this context, with regard to the internal performance of its activity, the company works year after year to **reduce the consumption of natural resources and responsibly manage the waste it generates**. In addition, aware of the problem of global warming and climate change, Mediaset España **calculates greenhouse gas emissions** derived from its activity, with the firm intention of gradually achieving a reduction of its emissions.

The offices and studios in Fuencarral and Villaviciosa, are the main facilities managed by the company in the Madrid region, where more than 96% of the workforce are situated and where most of the activities that use natural resources are carried out. In particular, the Fuencarral facilities are the most representative, with a daily influx of approximately 2,200 people in 2017.

Regarding productions filmed off Mediaset España's facilities, the producers take a number of factors into account to ensure that they are conducted in a sustainable manner. Among other matters, the Company makes sure that the least possible amount of people make the trip and that shared and low-polluting means of transport are used; the necessary steps are also taken to preserve the natural habitats where productions are carried out.

Circular Economy

Since 2009, -once a year there is a market with clothes acquired or gifted to be used by the presenters in Mediaset programmes or in series produced by the company and that will no longer be used.



INVENTORIED GARMENTS IN 2017

2,369

SOLD GARMENTS INDIVIDUALLY TO EMPLOYEES

1,662

GARMENTS ACQUIRED BY THE COMPANY ORGANIZING THE MARKET.

172

GARMENTS GIVEN TO CARITAS

535

Productions in natural environments

During 2017, several in-house production programmes have been carried out in natural areas that have generated content for Mediaset España's different channels. The company has acted with the utmost respect for the environment and complying with not only the applicable legislation, but also the guidelines and recommendations of the local authorities, as well as the environmental guidelines set by Mediaset España.

During the fourth season of "**Los Gipsy Kings**", the production team travelled to different countries on different continents where diverse recordings were carried out for the content's format. In these locations we acted with a scrupulous respect for the environment and followed the indications of the local authorities. The established geographical limits were respected at all times and a working method was established to avoid altering the environment.

All the recordings of "**Planeta Calleja**" have been made with a small team and with maximum respect for biodiversity, following the indications of the local authorities carefully. Particularly noteworthy was the scuba dive in Jordan, which was carried out following all the protocols for the protection of marine life. We did in the same in South Africa, where the team dived into a colony of sea lions and sharks.

During the recordings of "**Volando voy**", all the requirements demanded were faithfully fulfilled, respecting the regulations of each park or protected space where the recordings took place. The use of the helicopter in these spaces involved an action protocol which avoids invading areas where there are animals nesting, as well as flying below the set limits and at no point does the helicopter enter into areas closed to air traffic.

All the actions related to "**Espíritu Salvaje**" were carried out following the strictest rules issued by each country regarding the care of natural parks, reserves or protected areas visited. The team had all the official permits re-

quired for their visit and recording. Furthermore, the family travels alone, without large sophisticated equipment, and they adapt to each environment.

Finally, *Survivor* the adventure reality series has taken place in Honduras since 2006 and aims to integrate the contestants with nature for three months. There has never been any impact on the environment in any of the editions due to the philosophy of the program itself, the commitment of all team members and contestants for the benefit of environmental conservation, as well as strict compliance with environmental laws. All this leads the public institutions to trust Mediaset España to continue carrying out, year after year, the competition in the country's natural settings.

The 2017 edition of the reality has also had the most advanced technical device available to it, not only to ensure the safety of the programme's contestants and workers, but also to control the impact on the territory in which it is filming. In coordination with the Honduran government, an action plan has been developed on possible impacts on the natural environment.

During the development of the programme, the contestants are oriented towards complying with the guidelines for the protection and conservation of the natural environment, prioritising the use of biodegradable items. The non-biodegradable materials are removed, and at no time is waste burned, nor are liquid fuels used.

Biological Diversity regulations have also been fulfilled during production, to preserve the species that cohabit in the natural areas where the programme has been carried out, always in collaboration with the Honduras Foundation Institution.

THE COMPANY HAS ACTED WITH THE UTMOST RESPECT FOR THE ENVIRONMENT AND COMPLYING NOT ONLY WITH THE APPLICABLE LEGISLATION, BUT ALSO THE GUIDELINES AND RECOMMENDATIONS OF THE LOCAL AUTHORITIES, AS WELL AS THE ENVIRONMENTAL GUIDELINES SET BY MEDIASET ESPAÑA.

CONSUMPTION



WATER (M³) (1)

28,662

2016: 26,282
2015: 29,858

+9.06%
VS. 2016



ELECTRICITY (GJ) (1)

63,919

2016: 63,256
2015: 62,711

+1.05%
VS. 2016



DIESEL (GJ) (1)

76

2016: 79
2015: 43

-3.01%
VS. 2016



NATURAL GAS (GJ) (1)

4,638

2016: 4,527
2015: 4,044

+2.46%
VS. 2016



PAPER (KG) (2)

17,567

2016: 19,075
2015: 17,766

-7.90%
VS. 2016



BATTERIES (KG) (1)

2,247

2016: 2,561
2015: 2,757

-12.26%
VS. 2016



TONERS (UNITS) (2)

1,121

2016: 941
2015: 951

+19.13%
VS. 2016



DISCS (KG) (1)

1,734

2016: 1,325
2015: 2,622

+30.87%
VS. 2016

Legend: m³= cubic metres; GJ=Gigajoule; kg=kilograms

(1) Corresponds to the headquarters of Fuencarral and Villaviciosa in Madrid, where 96.23% of the workforce and all activities related to audio-visual production are concentrated.

(2) Corresponds to all work centers in Spain.

ENERGY INTENSITY 2017

2.6

GJ/ HR. OF STUDIO RECORDINGS

63,919 Power consumption (electricity)24,308 hours of studio recordings

THE INVESTMENTS MADE IN 2017 TO IMPROVE THE COMPANY'S ENERGY EFFICIENCY HAVE RESULTED IN AN ESTIMATED GLOBAL ENERGY SAVING OF 86 GJ.

During 2017 a new **energy audit** took place, this time at the Mediaset España facilities in Villaviciosa de Odón. During this year, the measures derived from the energy audit carried out in 2016 have been launched -and some completed- mainly focused on energy savings in the company's facilities and on the workers awareness. In this regard, campaigns have been carried out during the year to promote energy saving and measures have also been adopted for individual effects, such as the incorporation of improvements in the configuration of computer screensavers.

During the year Mediaset España has continued to implement the **Optimised Energy Management Plan** started in previous years, in terms of improving cost management and control. The facilities' main electrical consumption corresponds to the studios technical equipment, including the recording, broadcast and postproduction equipment, as well as the computer equipment and air conditioning of computer rooms. Therefore, the plan deals with, among other things, the balanced refrigeration of recording sets, limiting the number of hours that air-conditioning is on in the studios, automatically controlling the temperature and adjusting it accordingly for recording, and reducing illumination during advertising breaks in live shows.

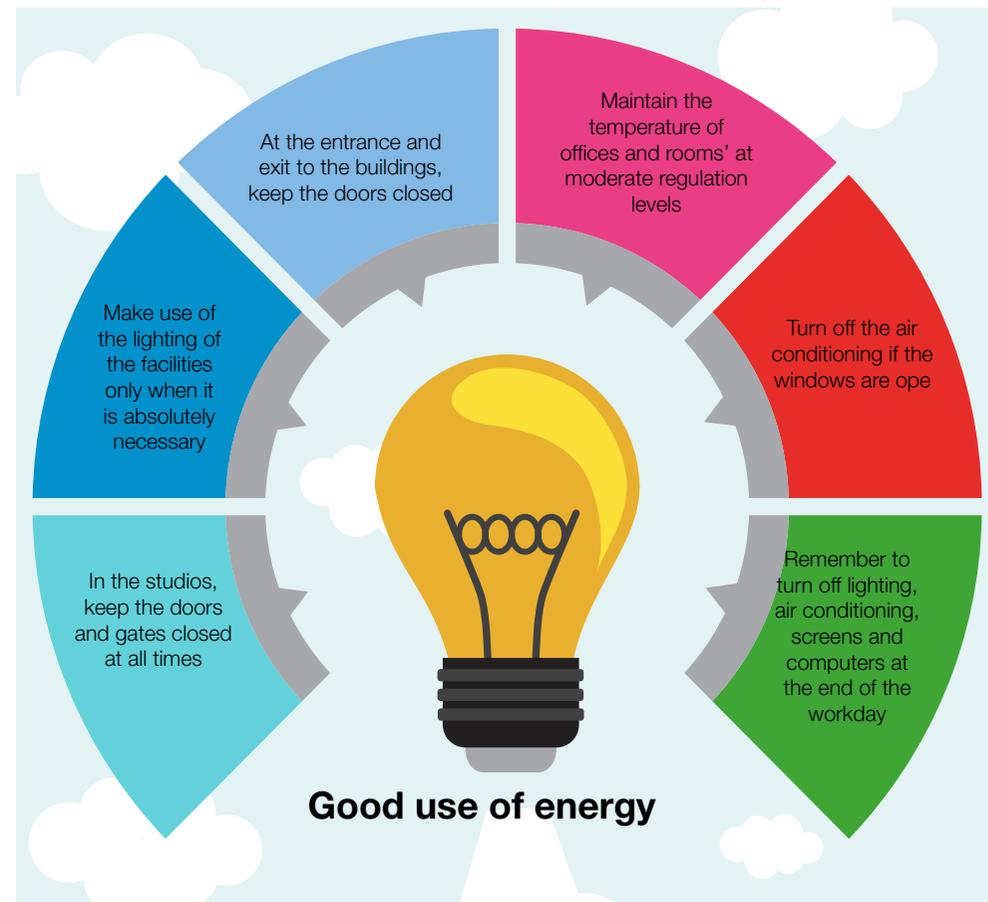
In turn, within the facilities' **Lighting Renewal Plan**, the company has continued to replace lighting fixtures and lighting equipment, with more efficient equipment that consumes less, mainly LED screens, both on sets and in offices. In addition, with regards to the **R22 replacement project**, 16 air-conditioning machines have also been replaced with better-performing machines that consume less, which in turn incorporate more environmentally friendly CFC gases.

Also, the **installation of solar panels** in more than 41 m² of windows at the different units has been expanded, as a proof of the company's commitment to energy efficiency and with the corresponding positive impact reducing cooling demands, 61.81 m² have been installed since 2016. In addition, there are 48 solar panels installed at the Fuencarral headquarters, which produce an estimated 38.5 kWh energy of per year.

With regards to the stage and set design in 2017, the practice of reusing sets to the maximum has continued being promoted as well as the tendency to design the lighting of the sets using LED lighting.

Overall, the investments made in 2017 to improve the company's environmental impact, in terms of equipment or facilities, have resulted in an **estimated global energy saving of 86 GJ and a cost of more than € 359,000**. All the measures implemented for the containment and efficiency of the energy consumption have resulted in significant savings in terms of electricity and natural gas consumption costs, despite the slight increase in the overall calculation of these (1.05% and 2.46% respectively), given the increase of more than 4% in the programming hours of all the Group's channels and almost 12% in the number of hours in the recording studios in 2017. This increase has taken place within the framework of making more programmes in the company's own studios and using its latest equipment.

Internal environmental awareness campaigns



PAPER CONSUMPTION HAS BEEN REDUCED DURING THE YEAR AND IS BELOW THE LEVELS RECORDED IN THE LAST FIVE YEARS.

As in previous years, the **consumption of diesel**, corresponds to its use in the start-up of machines in preventive maintenance reviews and therefore, its variation cannot be subject to savings guidelines.

On the other hand, **disc consumption** has been increased with respect to 2016, justified by the increase in production hours, maintaining, however, the existing tendency to reduce this consumption during the last few years.

Discs management is regulated by internal procedures. Since migrating to XDCAM from BETACAM occurred in 2008, they stopped using tapes and started using optical discs. As for Informativos (News), discs with programme recordings are recycled every 15 days and with respect to camera operators, each has 10 discs that must be safeguarded and reused, and changes are only permitted for failure or breakage, and always upon the return of the disc and prior review from the Division. Exceptionally, discs are delivered to customers without their return.

During programme recordings, the discs are used to record the Master and Safety Copies. Once they go to the Video Library for archiving in the Digital Archive, they return to the Technical Warehouse for formatting and reuse. If a programme needs an additional number of discs, these are delivered at the beginning of the programme and will be returned to the Technical Warehouse for recycling once the season or the programme in question finishes broadcasting.

Regarding the exchange of content between the different departments of the Antenna Division and between those and external production companies, the company has continued to promote the use of less contaminating means for sharing and storing data, such as website storage or shared network storage, applying the security measures established to ensure the appropriate compliance of current legislation and internal rules in force.

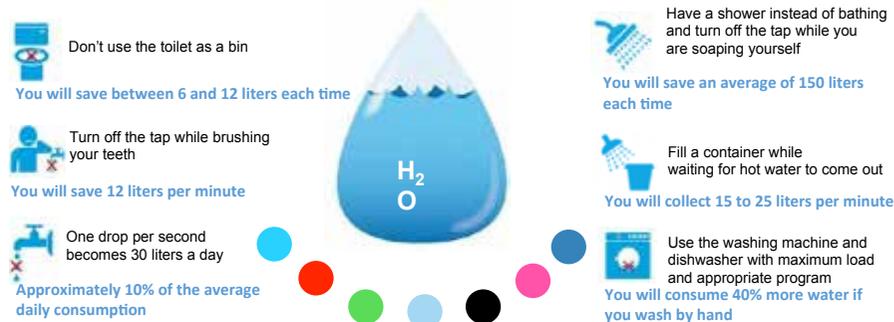
Finally, **paper consumption** has been reduced during the year and is below the levels recorded in the last five years. This figure reflects Mediaset España's commitment to the efficient use of natural resources and stock optimisation.

Finally, water consumption has increased slightly during 2017, mainly due to the increase in activity in terms of production hours. Despite this, the trend is lower than previous years. In 2017, the company launched an internal campaign on the efficient use of water, to raise awareness of the need to be efficient in the consumption of this natural resource.

Efficient use of water campaign

Efficient use of water

In work and at home



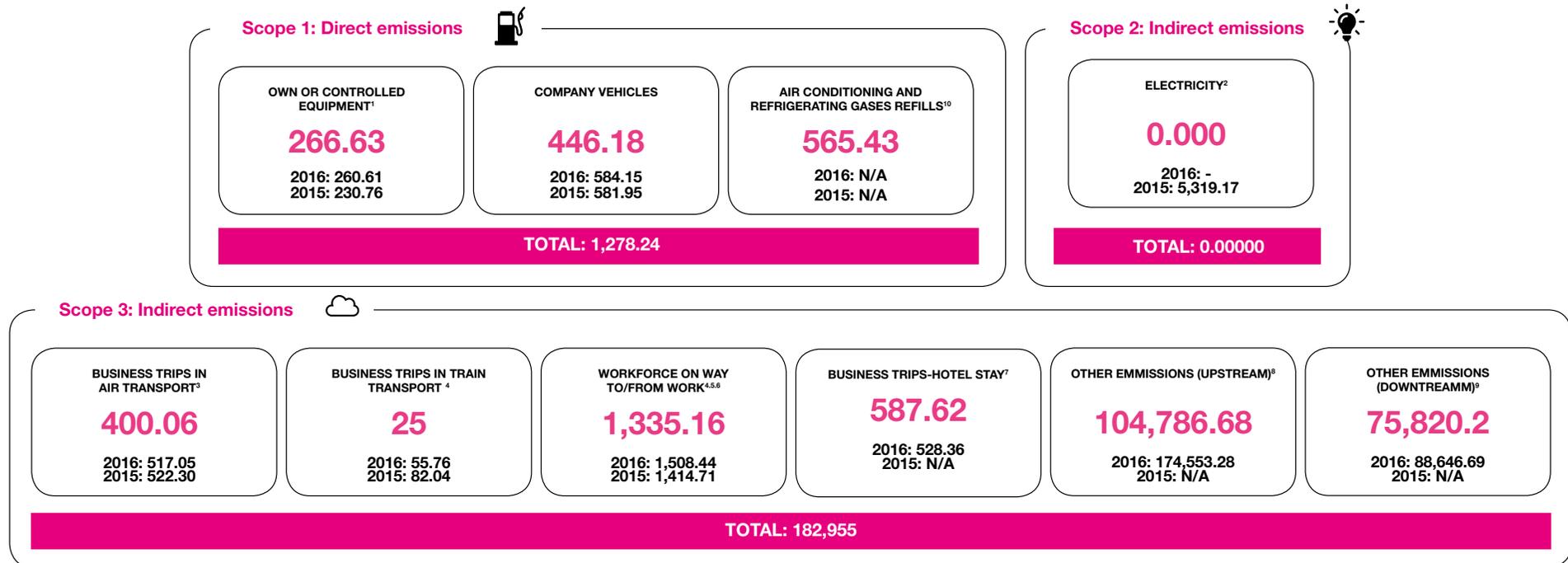
ALL ELECTRICITY
CONSUMED DURING
THE YEAR COMES
EXCLUSIVELY FROM
100% RENEWABLE
SOURCES

Contaminating gas emissions

In the context of sustainability management and the commitment to fight against global warming, Mediaset España identifies, measures and manages the greenhouse gas emissions (GHG) generated by its activity and establishes the appropriate measures to reduce them.

The Company publishes the information, demonstrating its level of awareness and transparency in this area. This commitment to transparency is reflected in the annual reporting of information, which, since 2009 involves Mediaset España's participation in the **Carbon Disclosure Project** initiative, having obtained assessment B, an assessment reached by 44% of the companies with the best results of the sector.

GHG Emissions Inventory (Tn CO₂ equivalent)



Scope: Mediaset España's Group.

1) GHG emissions from stationary combustion- Calculation Tool (May 2015). Greenhouse Gas Protocol.

2) In 2017, all electricity consumed was generated by 100% renewable sources, in accordance with the origin guarantee from Iberdrola (first semester) and Endesa (second semester).

3) Data released by travel agencies with which the company has worked, using the National Energy Foundation calculator.

4) GHG emissions from transport or mobile sources- Calculation Tool (May 2015). Greenhouse Gas Protocol.

5) Bus route for employees.

6) Since 2016, it includes the emissions associated with commuting by taxi.

7) Since 2016, the emissions associated with hotel stays have been estimated.

8) It includes the most relevant upstream emissions outside the organisation, calculated according to scope 3 categories of the GHG Protocol. The main emissions in 2017 are those related to the purchase activities of goods and services.

9) It includes the most relevant downstream emissions outside the organisation, calculated according to scope 3 categories of the GHG Protocol. The main emissions are those related to the use of Mediaset España's products and the investments carried out.

10) Since 2017, emissions related to the environmental impact generated by possible air conditioning leakages into the atmosphere is recorded.

SOx

0.2572015: 14.486
2016: 0.256

NOx

2.1402015: 7.762
2016: 0.455

PARTICLES

0.1652015: 0.598
2016: 0.015

CO

7.1012015: 2.885
2016: 0.165

COVNM

0.8012015: 0.057
2016: 0.013

Note: The data on NOx, SOx and other significant air emissions are those related to direct consumption of energy (boilers), fuel used in company vehicles and electricity consumed.

In the said report, Mediaset España reports in detail on the measurements, commitments and performance of the measures implemented to reduce greenhouse gas emissions. Since 2016, in order to better understand and manage all the environmental impacts generated, Mediaset España has expanded its calculation of its carbon footprint, incorporating into the measurements all the categories making up Scope 3, and therefore including the emissions that occur indirectly in its value chain.

Among the most relevant measures to reduce emissions, it is worth noting that the company contracts electrical energy with a Certificate of Origin provided by the supplier, which guarantees that **all the electricity consumed during the year comes exclusively from 100% renewable sources** that respect the environment and avoid CO2 and other polluting gas emissions.

In turn, the Group offers its workers a bus service that connects the company's facilities with the train and subway stations, for long periods of the day, as a way to encourage more workers to use means of public transportation and thereby contributing to reducing atmospheric emissions of pollutant gases from commuting.

GREENHOUSE GAS EMISSIONS INTENSITY 2017

3TN CO₂/HR BROADCASTING184,233 CO₂ Emissions

61,320 hours of broadcasting



IN THE OFFICES AND OTHER FACILITIES, THERE ARE DIFFERENT AND SPECIFIC RUBBISH CONTAINERS AVAILABLE FOR WORKERS. THUS, PAPER, BATTERIES, TAPES, ETC. ARE SEPARATED AND MANAGED INDIVIDUALLY.

Waste

In the normal course of business, Mediaset España generates waste, in both, the audio-visual production business and the office business and in the canteen for the employees.

In 2017, as in previous years, all generated waste has been adequately managed, giving preference to recycling where the regulations permit. In compliance with regulations governing hazardous and non-hazardous waste, the Company delivers waste to an **authorised waste management company** in suitable condition, and it has a record to control the amount delivered and the final management of the waste.

Waste from electrical and electronic equipment is managed through the technical warehouse. All current technical equipment is acquired subject to the "Restriction of Hazardous Substances Directive"

(Directive 2002/95/EC, implemented in Spanish law by way of Royal Decree 208/2005), paying for the cost of withdrawal at the end of its useful life when purchased, which ensures the adequate management of the waste generated by the renewal process as a consequence of foreseen or unforeseen technical obsolescence.

Most of the **organic waste** is generated in the cafeteria/canteen and it is separated by cafeteria personnel (organic, plastic containers, glass).

In the offices and other facilities, employees separate paper, batteries, tapes etc. by depositing them in specific containers around in the Company's facilities.

Management for each type of waste



- THE ELECTRICAL AND ELECTRONIC EQUIPMENT

RECYBERICA



- USED LAMPS AND FLUORESCENT BULBS

AMBILAMP ASSOCIATION



- SETS (IRONS, STEEL AND GLASS THAT WILL NOT BE REUSED IN OTHER STAGING)

ACICLA



- PAPER, BATTERIES AND DIGITAL MEDIA

REISSWOLF ECO-SHREDDER



- THE BIO HEALTH WASTE OF THE MEDICAL SERVICE

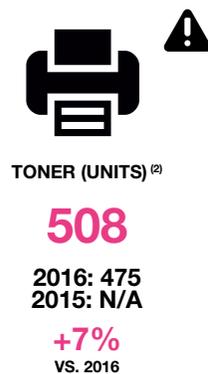
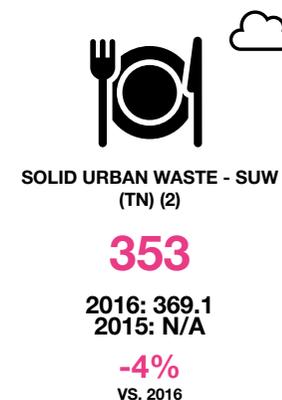
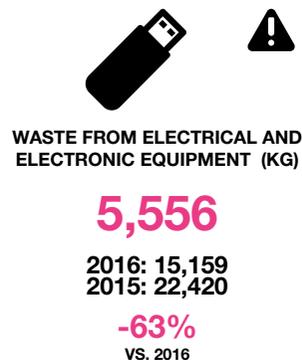
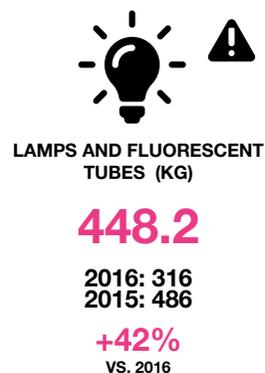
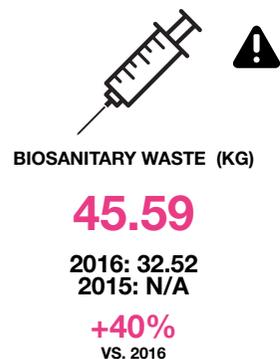
SRCL CONSENSUR



- TONER CARTRIDGES

THROUGH THE SUPPLIER OF THE PAY- PRINT SERVICE. TEICO

Waste Generated



Scope: Mediaset España Group, Fuencarral and Villaviciosa facilities, where most of the Group business is carried out, except for the estimation of the generated SUW, for which all the workforce of the Group has been considered.

In the facilities located outside Madrid, only office business is carried out there is no record kept of office waste generated, due to the small amount.

N/A= Not available

(1) No oils or combustible waste were collected during 2016.

(2) Starting in 2016, an estimate of the urban solid waste generated per person is included, taking into account the entire workforce of the Group and the restoration activities carried out at the Fuencarral facilities.





ABOUT THIS
REPORT

MEDIASET*españa.*



ABOUT THIS REPORT

THIS REPORT IS INTENDED TO INFORM ABOUT THE ECONOMIC, SOCIAL, ETHICAL AND ENVIRONMENTAL PERFORMANCE OF THE MEDIASET ESPAÑA GROUP AND THE INTEGRATED MANAGEMENT OF THESE AREAS IN ITS BUSINESS MODEL

Scope

Since 2005 Mediaset España has published its Annual Corporate Report (previously Corporate Responsibility Report) which has been verified from 2009 by an external and independent auditor. This report is intended to inform about the economic, social, ethical and environmental performance of the Mediaset España group and the integrated management of these areas in its business model for the period 1st January to 31st December 2017.

The scope of this Report refers to the fully consolidated Mediaset España Group (see page 14), referring to this as Mediaset España or Mediaset España Group indistinctly. If the reporting scope differs to that noted, an explanatory note is included.

Compared to previous years, there were no significant changes in criteria and basis for including the information reported. Also, any change in the formulas used for the calculation of reported data is indicated in the corresponding section. In this regard, any change is due to the process of continuous improvement in the reporting of non-financial information carried out by the company, in order to present the information required as accurately as possible.

As in previous editions, the Report has been made available to stakeholders in a web-enabled digital format with responsive technology, through Mediaset España's webpage: www.mediaset.es/inversores/es, and is available in Spanish and English.

International Standards

This Annual Corporate Report has been prepared following the Global Reporting Initiative guidelines for the Preparation of Sustainability Reports, G4, and the Media supplement sector.

In accordance with the self-assessment carried out by Mediaset España and externally verified, the report covers the requirements associated with the comprehensive option "in accordance" with the G4 Guide, which means that it follows the guidelines of the GRI G4 Guide for the reporting of all general standard disclosures as well as generic disclosure on management approach and all indicators, including the media sector supplement, related to the material aspects identified.

Since this report helps the company meet the informational requirements of various initiatives on which it reports, Mediaset España has decided to respond to all GRI indicators and not only the indicators considered as material, detailing such information in the GRI G4 Content Index.

For the past four years, Mediaset España has aligned its Report with the International Integrated Reporting Framework recommendations of the International Integrated Reporting Council (<IR> Framework), being a pioneer among its competitors. In 2017, based on the self-assessment conducted, Mediaset España considers that its Report adequately follows the <IR> Framework requirements and therefore presents its value creation in a cohesive and efficient way over time.

Preparation of the Report

The contents of this Report have been defined based on the materiality analysis carried out in 2017 and the information requirements of the initiatives to which Mediaset España adheres. As with previous editions, the Report's preparation was coordinated by the General Corporate Management with the involvement of various areas such as:

Antenna Division, Internal Audit Management, Legal Department Management, Film and Rights Acquisition Division, Communication and External Relations Division, Economic-Finance Division, News Division, Corporate Performance Division, Multiplatform Management, Content Production Division, HR and Services Division, Investor Relations Management, Institutional Relations Management, Technologies Division, Studies & Infrastructures and Publiespaña's Operations, Services and Sales Management.

Materiality analysis

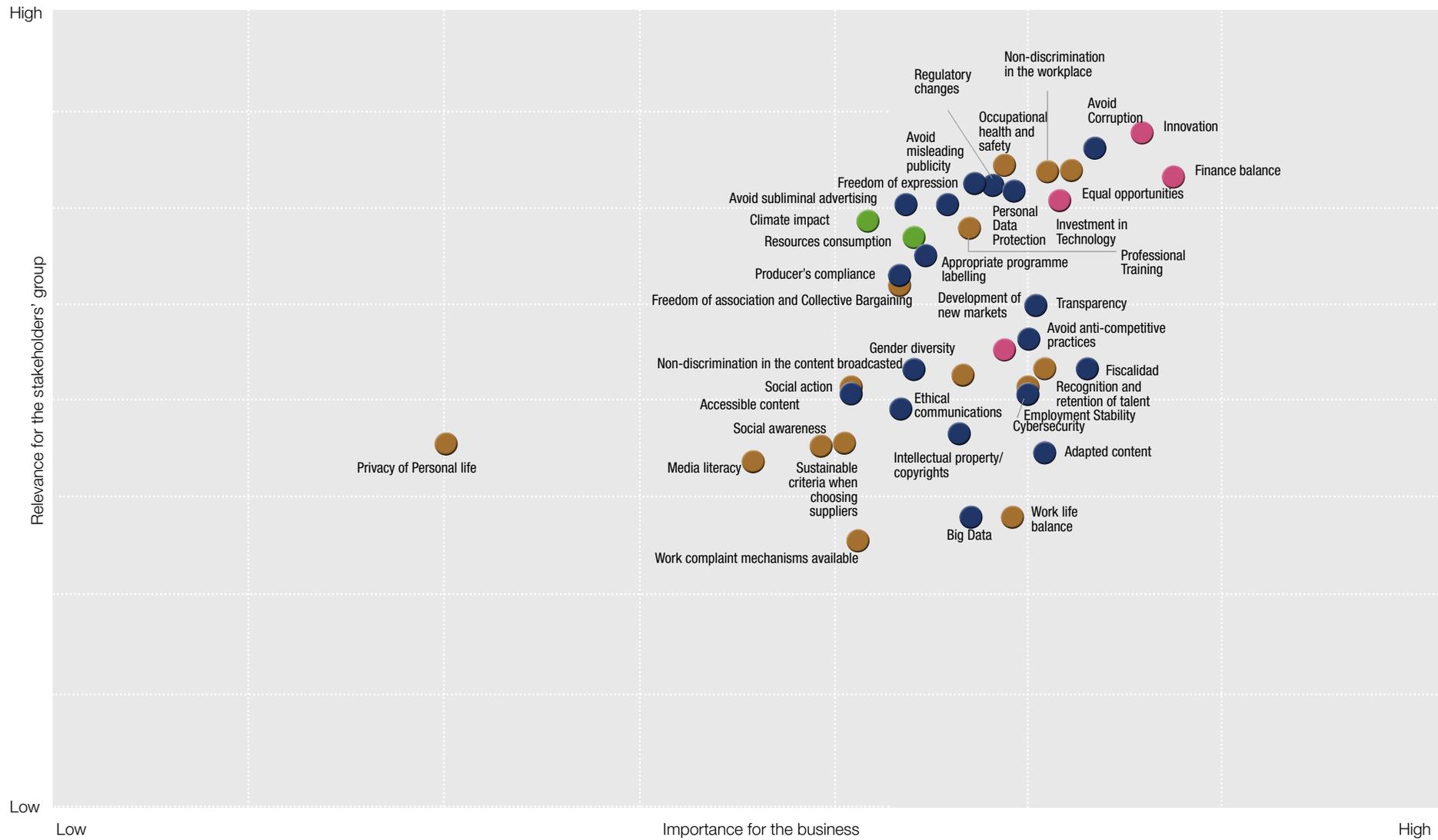
In 2017, the Corporate General Management identified a list of relevant issues based on the analysis of current legislation¹ and the relevant issues identified by the sustainability standards, the sectoral working groups in which it participates and the relevant issues for Spanish society and the audience. Subsequently, it submitted these matters for the assessment of all the company's managers, in order to assess its influence on the development and success of the business. On the other hand, the assessments given by investors, sustainability analysts and competitors' on the relevant issues identified were incorporated.



The result of these joint assessments has resulted in the following materiality matrix, which indicates the degree of relevance of the issues raised by both the stakeholders' groups mentioned in this consultation process, and for Mediaset España, from a sustainability and business perspective.

1. In November 2017, the transposition of the European Directive on the disclosure of non-financial and diversity information (Directive 2014/95/UE), stated in Royal Decree-law 18/2017, of 24 November, was approved.

MATERIALITY MATRIX



● Financial ● Good Governance/business ● Social ● Environmental

RELEVANT ISSUE	STAKEHOLDERS AFFECTED	HOW MEDIASET ESPAÑA GROUP RESPONDS	GRI G4
1 Finance balance		Economic-Financial Result Taxation	G4-9. EC1. EC2. EC3. EC4
2 Transparency		Governance Model Business Model About this report	G4-24. G4-25. G4-26. G4-27. PR3. PR4. PR5
3 Investment in technology		Key Performance Indicators Other Performance Indicators Business context Cybersecurity Environmental Performance	EC7. EC8
4 Innovation		Business context Internet content management	EC1.EC2. EC3. EC4. EC7. EC8
5 Development of new markets		Business context	G4-8
6 Cybersecurity		Cybersecurity	-
7 Intellectual property/copy rights		Content Management	HR1. HR2. HR9. HR12
8 Regulatory changes		Business context Risk Management System Content Management Advertising Management Participation in Public Policy Development Data Protection	G4-2. PR6. PR7.PR8. PR9. SO8. EN29
9 Taxation		Tax transparency	EC1. EC2. EC3. EC4
10 Appropriate programme labelling		Business context Content Management Self-regulation Codes and Sector Guides	M2. M3. PR1. PR2. PR3. PR4. PR5. PR9
11 Subliminal advertising		Advertising Management	PR6. PR7
12 Misleading publicity		Advertising Management	PR1. PR2. PR6. PR7
13 Personal data protection		Data protection	PR8
14 Employment Stability		Team Management Employee relations	G4-10. LA1. LA2. LA3. LA4. LA16
15 Freedom of association		Employee relations	G4-11. HR4. HR12
16 Non-discrimination in the workplace		Team Management Equal opportunity	LA12. HR3
17 Equal opportunity		Team Management Equal opportunities and non-discrimination Fringe benefits and life-work balance measures	LA12. LA13
18 Gender Diversity		Team Management Equal opportunities	LA12. LA13
19 Recognition and retention of talent		Team Management Performance evaluation	LA9. LA10. LA11



EMPLOYEES



ARTISTS AND SECTOR PROFESSIONALS



SHAREHOLDERS



ADVERTISERS



AUDIENCE



SUPPLIERS



TRADE UNIONS



COMPETITION



GOVERNMENT



SOCIAL ORGANISATIONS



EMPLOYMENT MARKET



COMMUNITY

	RELEVANT ISSUE	STAKEHOLDERS AFFECTED	HOW MEDIASET ESPAÑA GROUP RESPONDS	GRI G4
20	Training and professional development		Team Management Training and recruitment of new talent Performance evaluation	LA9. LA10. LA11
21	Occupational health and safety		Team Management Occupational health and safety risk prevention	LA5. LA6. LA7. LA8
22	Work life balance		Team Management Fringe benefits and life-work balance measures	LA1. LA2. LA3
23	Work complaint mechanisms available		Team Management	LA16
24	Freedom of expression		Content Management Team Management	M2. M3. HR4. HR12
25	Accessible content		Accessible content	M4. M5. M7
26	Non-discrimination in content broadcasted		Content Management Content accessibility	M2. M3. M6
27	Privacy of Personal life		Content Management	M2. M3
28	Adapted content		Content Management	G4-56. M2. M3. M6
29	Media literacy		Content Management	M7
30	Social awareness		Entertainment, information and social commitment	M2. M3
31	Climate Impact		Environmental performance	EN15. EN16. EN17. EN18. EN19. EN20. EN21. EN22. EN23. EN24. EN25. EN26
32	Resources consumption		Environmental performance	EN3. EN4. EN5. EN6. EN7
33	Avoid anti-competitive practices		Content Management Advertising management	SO7
34	Avoid Corruption		Risk management system	G4-34. G4-56. G4-58. SO3. SO4. SO5. SO6. M1
35	Ethical communications		Advertising management	G4-56. G4-57
36	Big Data		Data protection Management of Internet Content Advertising management	G4- DMA (DATA PROTECTION)
37	Social Action			EC1. EC2. EC3. EC4
38	Producer's compliance		Supply Chain Management	G412. LA14. LA15. LA16. HR1. HR2. HR4. HR5. HR6. HR10. HR11. HR12. SO9. SO10. SO11. EN32. EN33. EN34
39	Sustainable criteria when choosing suppliers		Supply Chain Management	SO9. SO10. EN32. EN33. LA14. LA15. HR10. HR11. EC9



EMPLOYEES



ARTISTS AND SECTOR PROFESSIONALS



SHAREHOLDERS



ADVERTISERS



AUDIENCE



SUPPLIERS



TRADE UNIONS



COMPETITION



GOVERNMENT



SOCIAL ORGANISATIONS



EMPLOYMENT MARKET



COMMUNITY



Dialogue

Mediaset España values and encourages stakeholder engagement, it has a specific communication channel for their comments, concerns and information requirements and to obtain feedback on the issues addressed in this and other reports considered relevant from a sustainability perspective. The channel that may be used is:

General Corporate Management
Carretera de Fuencarral a Alcobendas, 4
28049- Madrid
rc@telecinco.es

External Assurance

Mediaset España has maintained the practice of submitting this Report for independent external verification. The content has been reviewed by PriceWaterhouseCoopers, in accordance with ISAE 3000 (revised) regulations, identified in the GRI G4 Content Index.



*Free translation from the original in Spanish.
In the event of a discrepancy, the Spanish language version prevails*

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CORPORATE RESPONSIBILITY INDICATORS

To the Management of Mediaset España Comunicación, S.A.:

We have carried out our work to provide limited assurance on the Corporate Responsibility indicators contained in "GRI G4 Content Index" Appendix of the 2017 Annual Corporate Report (hereinafter "CSR Indicators") of Mediaset S.A. and its subsidiaries (hereinafter "Mediaset") for the year ended December 31st, 2017, prepared in accordance with the content proposed in the Guidelines for the Preparation of the Sustainability Report of the Global Reporting Initiative (GRI) version G4 (hereinafter GRI G4 Guidelines) and Media Sector Disclosures of the GRI Guidelines version G4 (hereinafter Media Sector Disclosures).

Responsibility of the Management

The Management of Mediaset is responsible for the preparation, content and presentation of the Corporate Responsibility Report in accordance with the Comprehensive option of the GRI G4 Guidelines and Sector Media Disclosures. Management's responsibility includes establishing, implementing and maintaining the internal control required to ensure that the CSR indicators are free from any material misstatement due to fraud or error.

The Management of Mediaset is also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the CSR indicators, is obtained.

Our responsibility

Our responsibility is to issue a limited assurance report based on the procedures that we have carried out and the evidence obtained. Our limited assurance engagement was done in accordance with the International Standard on Assurance Engagements 3000 (Reviewed) "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

The scope of a limited assurance engagement is substantially less extensive than the scope of a reasonable assurance engagement and thus, less security is provided.

The procedures that we have carried out are based on our professional judgment and have included consultations, observation of processes, document inspection, analytical procedures and random sampling tests. The general procedures employed are described below:

- Meetings with Mediaset's personnel from various departments who have been involved in the preparation of the 2017 Annual Corporate Report.
- Analysis of the procedures used for obtaining and validating the data presented in the CSR indicators.

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- Analysis of the Mediaset's CSR indicators adaptation to the requirements established by GRI G4 Guidelines for the preparation of reports and to the Media Sector Disclosures.

- Verification, through random sampling tests revisions, internal control tests and substantive tests on the quantitative and qualitative information used to determine Mediaset's CSR indicators. We have also verified whether they have been appropriately compiled from the data provided by Mediaset's sources of information.

Our Independence and Quality Control

We have fulfilled our work in accordance with the independence requirements and other ethical requirements of the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA), which are based on basic principles of integrity, objectivity, professional competence and diligence, confidentiality and professional conduct.

Our firm applies the International Standard on Quality Control 1 (ISQC 1) and thus employs an exhaustive quality control system which includes documented policies and procedures on the compliance of ethical requirements, professional standards, statutory laws and applicable regulations.

Limited assurance conclusion

As a result of the procedures carried out and the evidence obtained, no matters have come to our attention which may lead us to believe that Mediaset's CSR indicators, for the financial year ended December 31st, 2017, contain significant errors or have not been prepared, in all of their significant matters, in accordance with the GRI G4 Guidelines and the Media Sector Disclosures.

Use and Distribution

Our report is only issued to the Management of Mediaset, in accordance with the terms and conditions of our engagement letter. We do not assume any liability to third parties other than Mediaset's Management.

PricewaterhouseCoopers Auditores S.L.

M^o Luz Castilla

27th February, 2018

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GRI G4 CONTENT INDEX, WITH MEDIA SECTOR SPECIFIC DISCLOSURE

Aspect	Page	Omissions	External
STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision-maker of the organisation.	VI-IX	✓
PERFIL DE LA ORGANIZACIÓN			
G4-2	Description of key impacts, risks, and opportunities. Media supplement.	3-7	✓
G4-3	Name of the organisation.	10	✓
G4-4	Primary brands, products, and services.	1-2. 10-11	✓
G4-5	Location of the organisation's headquarters.	10	✓
G4-6	Countries where the organisation operates, and names of countries where the organisation has significant operations	10-11. 151	✓
G4-7	Nature of ownership and legal form. Media supplement.	10	✓
G4-8	Markets served	10-11. 151	✓
G4-9	Scale of the organisation. Media supplement.	8. 86-88. 129.150	✓
G4-10	Workforce. Media supplement.	129-132	✓
G4-11	Percentage of total employees covered by collective bargaining agreements.	133	✓
G4-12	Describe the organisation's supply chain.	46-51	✓
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain.	11	✓
G4-14	Description of how the precautionary principle has been adopted by the organisation.	25-41	✓
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it has adopted.	34.78-79	✓
G4-16	Main associations and national or international organisations to which the organisation belongs.	78-79	✓
MATERIAL ASPECTS AND COVERAGE			
G4-17	Entities included in the organisation's consolidated financial statements or equivalent documents.	CC,AA	✓
G4-18	Process for defining the report's content and the coverage of each aspect.	173-177	✓
G4-19	List of material aspects identified	175-177	✓
G4-20	Coverage of each material aspect within the organisation.	176-177	✓
G4-21	Limit of each material aspect outside the organisation.	176-177	✓
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements.	CCAA	✓
G4-23	Significant changes in the scope and coverage of each aspect with regard to previous reports.	173	✓
STAKEHOLDER PARTICIPATION			
G4-24	Stakeholder groups linked to the organisation. Media supplement.	76-77	✓
G4-25	Basis for the selection of stakeholders with which the organisation works.	76	✓
G4-26	Organisation's approach to stakeholder participation.	76-77. 174	✓
G4-27	Main questions and matters that have been raised through stakeholder participation, and how the organisation responds to them.	174-178	✓
REPORT PROFILE			
G4-28	Reporting period.	173	✓
G4-29	Date of latest report.	173	✓
G4-30	Reporting cycle.	173	✓
G4-31	Contact information.	178	✓
G4-32	Comprehensive option 'In accordance' with GRI G4; GRI Index.	173	✓

Aspect	Page	Omissions	External
G4-33	External Assurance Report.	178-179	✓
GOVERNANCE			
G4-34	Governance structure of the organisation. Media supplement.	16-24	✓
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	IAGC	✓
G4-36	Executive-level positions or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	IAGC	✓
G4-37	Consultation between stakeholders and the highest governing body.	IAGC	✓
G4-38	Composition of the highest governing body and its committees.	18	✓
G4-39	Report whether the Chairman of the highest governing body is also an executive officer. If so, describe his or her functions within the organisation's management and the reasons for this arrangement).	IAGC	✓
G4-40	Processes followed for the highest governing body and its committees, and the criteria used for nominating and selecting highest governance body members. Sector Specific Indicator.	IAGC	✓
G4-41	Processes for the highest governing body to ensure conflicts of interest are avoided and managed. Media supplement.	24. IAGC	✓
G4-42	Highest governing body and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	IAGC	✓
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	Note	✓
G4-44	Processes for evaluation of the highest governing body's performance.	IAGC	✓
G4-45	Highest governing body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities.	IAGC	✓
G4-46	Highest governing body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics.	IAGC	✓
G4-47	Frequency of the highest governing body's review of economic, environmental and social impacts, risks, and opportunities.	IAGC	✓
G4-48	Highest committee or position that formally reviews and approves the organisation's Corporate Responsibility report and ensures that all material aspects are covered.	Note	✓
G4-49	Process for communicating the main issues that are of interest to the highest governing body.	IAGC	✓
G4-50	Nature and number of relevant matters that were communicated to the highest governing body and the mechanism(s) used to address and resolve them.	20, Note	✓
G4-51	Remuneration policies for the highest governing body and senior executives.	21-23. IARC	✓
G4-52	Process for determining the Board's and senior management's remuneration.	21-23. IARC	✓
G4-53	The process by which the stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	Note	✓
G4-54	Ratio between the total annual remuneration for the organisation's highest-paid individual and the average annual remuneration of the entire workforce.	Note	✓
G4-55	Ratio between the percentage increase in total annual remuneration for the organisation's highest-paid individual and the percentage increase in the average annual remuneration of the entire workforce.	Note	✓
ETHICS AND INTEGRITY			
G4-56	Organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics. Media supplement.	24. 29-31. 34	✓
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as helplines or advice lines.	Note	✓
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	29-33	✓
CONTENT CREATION			
Management Approach		52-59	✓
M2	Methodology for assessing and monitoring adherence to content creation values.	52-59	✓
M3	Actions taken to improve adherence to content creation values, and results obtained	52-59	✓

Aspect		Page	Omissions	External
CONTENT DISTRIBUTION				
Management Approach.		52-59		✓
M4	Actions taken to improve performance in relation to content distribution matters (accessibility and protection of vulnerable audiences and informed decision making) and results obtained.	52-59		✓
M5	Number and nature of responses (feedback/ complaints) related to content dissemination, including protection of vulnerable audiences and informed decision making and accessibility, and processes for addressing these responses.	Note		✓
AUDIENCE INTERACTION				
Management Approach.		52-59		✓
M6	Methods to interact with audiences and results	58		✓
MEDIA LITERACY				
Management Approach.		116-122		✓
M7	Actions taken to empower audiences through media literacy skills development and results obtained	116-122.138. Note		✓
ECONOMIC				
Economic performance				
Management Approach.		8. 86-88. 152-155		✓
G4- EC1	Direct economic value generated and distributed, operating costs, employee remuneration, donations and other investments in the community, undistributed benefits and payments to capital providers and governments.	150		✓
G4- EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Note	(1)	✓
G4- EC3	Coverage of the organisation's obligations derived from its defined benefit plan, defined contribution plans or other types of retirement plans.	Note		✓
G4-EC4	Financial assistance received from government. Media supplement.	154		✓
G4-M1	Significant funding and other support received from non-governmental sources. Media supplement.	Note		✓
Market Presence				
Management Approach		68-74		
G4- EC5	Ratios between standard entry level wage by gender compared to local minimum wage at locations with significant operations.	Note		
G4- EC6	Proportion of senior management hired from the local community at locations with significant operations.	Note		
Indirect Economic Impact				
Management Approach		57-61		✓
G4- EC7	Development and impact of significant infrastructure investments and support services. Media supplement.	57-61	(1)	✓
G4- EC8	Significant indirect economic impacts, including the extent of impacts.	156-159	(1)	✓
Procurement Practice				
Management Approach		46-47		✓
G4- EC9	Percentage of expenditure in places with significant operations that corresponds to local suppliers	46-47		✓

Aspect		Page	Omissions	External
SOCIAL DIMENSION				
Employment Practices and Decent Work				
Employment				
Management Approach				
G4- LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region.	129-131		✓
G4- LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant operation locations.	72-135		✓
G4- LA3	Return to work and retention rate levels after parental leave, by gender.	132		✓
Employee and Management Relations				
Management Approach.				
G4- LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	69		✓
Occupational Health and Safety				
Management Approach.				
G4- LA5	Percentage of total workforce represented in formal health and safety committees for management and employees	74		✓
G4- LA6	Type and rates of injury, occupational diseases, days lost, and absenteeism, and total number of work-related fatalities, by region and by gender. Media supplement.	143		✓
G4- LA7	Indicates whether workers with high incidence or high risk of diseases related to their occupation. Media supplement.	142, Note		✓
G4- LA8	Health and safety topics covered in formal agreements with trade unions.	74		✓
Training and Education				
Management Approach				
G4- LA9	Average hours of training per year per employee by gender, and by employee category. Media supplement.	137		✓
G4- LA10	Skills management programs and lifelong learning that support the continued employability of employees and assist them in managing career endings.	136-138		✓
G4- LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	139		✓
Diversity and Equal Opportunity				
Management Approach				
G4- LA12	Composition of governing bodies and breakdown of employees as per professional category and gender, age group, minority group membership, and other diversity indicators.	18-19, 129-132		✓
Equal Remuneration for Women and Men				
Management Approach				
G4- LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	Note		✓
Supplier Assessment for Employment Practices				
Management Approach				
G4- LA14	Percentage of new suppliers that were examined in terms of criteria related to employment practices.	Note		✓
G4- LA15	Significant actual and potential negative impacts for employment practices in the supply chain and actions taken.	Note		✓
Complaints mechanisms over Employment Practices				
Management Approach				
G4- LA16	Number of complaints about employment practices filed, addressed, and resolved through formal grievance mechanisms.	Note		✓
Human Rights				
Management Approach				
G4- HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	Note		✓
G4- HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. Sector Additional Disclosure.	Note		✓

Aspect		Page	Omissions	External
Non-discrimination				
Management Approach		70-71		✓
G4- HR3	Total number of incidents of discrimination and corrective actions taken.	134		✓
Freedom of Association and Collective Bargaining				
Management Approach		68. 133		✓
G4- HR4	Identification of centres and providers in which the freedom of association and the right to benefit from collective agreements can be violated or threatened, and measures adopted to defend these rights.	Note		✓
Child Labour				
Management Approach		32-33. 46		✓
G4- HR5	Identification of centres and providers with a significant risk of cases of child exploitation, and measures taken to contribute to the abolition of child exploitation.	Note		✓
Forced Labour				
Management Approach		46		✓
G4- HR6	Significant centres and providers with a significant risk of being the source of episodes of forced labour, and measures taken to contribute to the elimination of all forms of forced labour.	Note		✓
Security Practices				
Management Approach		33		
G4- HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations.	33		
Indigenous Rights				
Management Approach		160-161		
G4- HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	Note		
Assessment				
Management Approach		68-71		✓
G4- HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments. Media supplement.	Note		✓
Evaluation of suppliers in the field of human rights				
Management Approach		46		✓
G4- HR10	Percentage of new suppliers that were screened using human rights criteria.	Note		✓
G4- HR11	Significant actual and potential negative human rights impact on the supply chain and actions taken.	Note		✓
Human Rights Complaints Mechanisms				
Management Approach		29-30		✓
G4- HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms. Media Supplement.	Note		✓
Freedom of Expression. Management Approach. Media Supplement.		29.48-51.52-59		✓
Representation of Human Rights. Management Approach. Media Supplement.		52-59		✓
Cultural Rights. Management Approach. Media Supplement.		52-59		✓
Intellectual Property. Management Approach. Media Supplement.		29.34.48-51.52-53.56.58.78		✓
Protection of Privacy. Management Approach. Media Supplement.		42-43		✓
Society				
Local Communities				
Management Approach		156-159		
G4-SO1	Percentage of operations where development programs, impact evaluations and participation of the local community have been implemented.	Note		
G4-SO2	Operations with significant actual or potential negative impacts on local communities.	Note		

Aspect		Page	Omissions	External
Anti-corruption				
Management Approach		29-33		✓
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	33		✓
G4-SO4	Communication and training policies and procedures on the fight against corruption. Media supplement	28-30.32-33		✓
G4-SO5	Confirmed incidents of corruption and actions taken.	Note		✓
Public Policy				
Management Approach		78		✓
G4-SO6	Value of political contributions made by the organisation, by country and recipient. Media Supplement.	Note		✓
Unfair competition practices				
Management Approach		66.78		✓
G4-SO7	Total number of legal actions for unfair competition practices, anti-trust, and monopoly practices and their outcomes.	Note		✓
Compliance				
Management Approach		78		✓
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Note		✓
Supplier Assessment for Impacts on Society				
Management Approach		46		✓
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.	Note		✓
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	Note		✓
Complaints Mechanisms for Social Impacts				
Management Approach		29-30		✓
G4-SO11	Number of complaints about social impacts that have been presented, addressed and resolved through formal complaints mechanisms	Note		✓
Product Responsibility				
Customer Health and Safety				
Management Approach		65-67		✓
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Note		✓
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	Note		✓
Product and Service Labelling				
Management Approach		52-59. 65-67		✓
G4-PR3	Type of information required by the organization's procedures regarding the information and labelling of its products and services, and percentage of categories of significant products and services that are subject to such requirements. Media supplement	34	(1)	✓
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Note		✓
G4-PR5	Results of surveys measuring customer satisfaction.	55, Note	(2)	✓
Marketing Communications				
Management Approach		65-67		✓
G4-PR6	Sale of banned or disputed products.	Note		✓
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes. Media supplement.	Note		✓
Customer Privacy				
Management Approach		42-43		✓

Aspect		Page	Omissions	External
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Note		✓
Regulatory Compliance				
Management Approach		28.35.42-43.66.78		✓
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Note		✓
DIMENSIÓN AMBIENTAL				
Materials				
Management Approach		163-167		
G4- EN1	Materials used by weight or volume. Media supplement.	165		
G4- EN2	Percentage of materials used that are recycled materials.	Note		
Energy				
Management Approach		163-167		✓
G4- EN3	Energy consumption within the organisation.	165		✓
G4- EN4	Energy consumption outside of the organisation.	165		✓
G4- EN5	Energy intensity.	166		✓
G4- EN6	Reduction of energy consumption.	166		✓
G4- EN7	Reductions in energy requirements of products and services. Media supplement.	166-167	(1)	✓
Water				
Management Approach		167		
G4- EN8	Total water withdrawal by source.	165, Note		
G4- EN9	Water sources significantly affected by withdrawal of water.	Note		
G4- EN10	Percentage and total volume of water recycled and reused.	Note		
Biodiversity				
Management Approach		163-164		
G4- EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	163-164. Note		
G4- EN12	Description of the most significant impacts on biodiversity of protected areas or areas of high value in terms of unprotected biological biodiversity, which are derived from activities, products and services.	Note		
G4- EN13	Habitats protected or restored.	Note		
G4- EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Note		
Emissions				
Management Approach		163.168-169		✓
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).	168		✓
G4- EN16	Indirect greenhouse (GHG) gas emissions when generating energy (Scope 2).	168		✓
G4- EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3).	168		✓
G4- EN18	Intensity Greenhouse gas (GHG) emissions.	169		✓
G4- EN19	Reduction of greenhouse gas (GHG) emissions. Media supplement.	168-169		✓
G4- EN20	Emissions of ozone-depleting substances (ODS).	Note		✓
G4- EN21	NOX, SOX, and other significant air emissions.	169		✓
Effluents and Waste				
Management Approach		170		✓
G4- EN22	Total water discharge by quality and destination.	Note		✓
G4- EN23	Total weight of waste by type and disposal method. Media supplement.	171		✓

Aspect		Page	Omissions	External
G4- EN24	Total number and volume of significant spills.	Note		✓
G4- EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	170		✓
G4- EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organisation's discharges of water and runoff.	Note		✓
Products y services				
Management Approach		163-167		
G4- EN27	Mitigation of the environmental impact of products and services.	165-167		
G4- EN28	Percentage of products sold and their packaging materials that are reclaimed by category.	Note		
Regulatory Compliance				
Management Approach		163-164		✓
G4- EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Note		✓
Transport				
Management Approach		168		
G4- EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce.	Note		
Overall				
Management Approach		163-171		
G4- EN31	Breakdown of expenses and investments for the protection of the environment	Note		
Environmental assessment of suppliers				
Management Approach		46		✓
G4- EN32	Percentage of new suppliers that were screened using environmental criteria.	Note		✓
G4- EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken.	Note		✓
Environmental Complaints Mechanisms				
Management Approach		163-164		✓
G4- EN34	Number of complaints about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.	Note		✓

(1) It provides qualitative information.

(2) The results of customer satisfaction surveys are not made public because they are confidential information.

Clarifications:

CC.AA.: Information reported in the Annual Accounts 2017

IAGC: Information reported in the Corporate Governance Annual Report 2017

IARC: Information reported in the Directors Remuneration Annual Report 2017

NOTAS ACLARATORIAS

G4-43	During the Board meetings held throughout the year, Mediaset España updates its board members on major legislative developments
G4-48	Mediaset España's Annual Corporate Report is annually approved by its Board of Directors
G4-50	The Board of Directors has been informed about all the issues reflected in the Annual Corporate Governance Report, Financial Statements and Remuneration Report, as well as all matters discussed in the presentations to analysts and investors.
G4-53	Mediaset España submits its remuneration policy for shareholder approval at the AGM. In 2017, it obtained 72.08% of votes.
G4-54	The total annual remuneration of the best paid person in the organization is 13.59 times the average total remuneration of the employees.
G4-55	In 2017, no percentage increase was applied in the case of the organization's highest-paid individual, nor in the average annual total compensation for all employees.
G4-57	Consultations on ethical aspects, legal aspects or aspects related to the integrity of the organisation can be raised through both the complaints channel, as well as those responsible for the Legal or Internal Audit Departments.
G4-M1	As in previous years, in 2017, Mediaset España has received only one grant from a non-governmental source, considered as not significant, which was granted by Fundación Biodiversidad, in the context of a Request for Granting Aid on a Competitive Basis, for the Promotion of Environmental Information in the Media. € 14,121 was received. The Fundación Biodiversidad subsidises 70% of the total project cost, the remaining 30% is assumed by Mediaset España. Under the project, some of the activities carried out by the Fundación Biodiversidad are recorded on a monthly basis and are subsequently distributed through the subscribers of the Atlas Agency.
G4-M5	As of the date of this Report, the 2017 Annual Report of the Joint Committee for the Monitoring of the Self-Regulation Code on Television Contents and Infancy is not yet published, which includes the complaints received through the form included on the web www.tvinfancia.es regarding content and broadcast programmes. According to the provisional internal data relating to Mediaset, 20 complaints were filed against this operator and the Self-Regulation Committee did not observe disadvantages to the broadcast of said contents in any case. The said data does not include claims for advertising broadcast, which are submitted to the Self-Regulation Panel for processing and resolution.

G4-M7	The actions carried out by Mediaset España aimed at generating an informed audience, which may understand and better engage in content generation and are capable of critical consumption, are found in its Management Content Model, including the interactivity mechanisms with the audience through social networks and programmes' apps as well as educational content programmes on the programming grid. In turn, the collaboration agreements with universities and the Master's in content creation contribute to the development of a group qualified in the area of media.
G4-EC2	Given Mediaset España's activities, the risks and opportunities due to climate change do not have significant implications for the business.
G4-EC3	There is no pension plan structure arranged by the company as fringe benefits.
G4-EC5	El Convenio Colectivo de Mediaset España recoge oficialmente (Mediaset España's Collective Agreements officially contain the salary tables for each professional specialty and set out the applicable remuneration regime, irrespective of gender, indicating salary supplements and terms and conditions. As it is part of the Collective Agreement, there is an equal allocation of base salary between men and women; The economic regime is based on applying the salary specified in the conventional tables to the corresponding category, regardless of gender. Professional category Relationship between the minimum salary established in the Collective Agreement and the inter-professional minimum salary for 2017 LEVEL 1 1.21 LEVEL 2 1.57 LEVEL 3 1.84 LEVEL 4 2.09 LEVEL 5 2.33 LEVEL 6 2.62 LEVEL 7 2.93 LEVEL 8 3.24 LEVEL 9 3.56 LEVEL 10 4.19
G4-EC6	Mediaset España does not have a specific local hiring policy differing from its general hiring policy; having a local hiring policy could promote discrimination
G4-LA7	Given the nature of the activity and the prevention measures applied by the organization, there are no employees carrying out professional activities involving incidences or high risk of catching certain diseases. For further information, see Workforce and Occupational risk prevention section.
G4-LA13	Collective agreements guarantee equality in payments between men and women that hold the same position, regarding both base salary and allowances.
G4-LA14 G4-LA15 G4-HR10 G4-HR11 G4-SO9 G4-SO10 G4-EN32 G4-EN33	Mediaset España does not screen suppliers for employment practices, human rights, social impacts or environmental performance. However, to ensure the ethical performance of its supply chain, the company introduces a mandatory compliance clause, and respect for all its suppliers, that addresses these issues. For further information see "Supply Chain Management" section.

G4-LA16	During 2017, 20 complaints about employment practices were presented of which 9 have been resolved through agreement, 1 with favourable resolution for the company and 10 are pending resolution.
G4-HR1	There are no significant investments in Mediaset España that include clauses incorporating human rights concerns or that have undergone human rights screening
G4-HR2	In 2017 a total of 733 hours of training (112 attendees) were given in courses with contents related to human rights, freedom of expression, intellectual property, LOPD, image or employment rights. On the other hand, Mediaset España establishes specific guidelines, both for the creation of responsible television content linked to this subject, and for the participation of artist's who are minor's and the general public in their programmes.
G4-HR4	Freedom of association and right to association or fostering collective agreements is fully guaranteed in all workplaces of the Mediaset España Group, as described in the "Workforce" section. With regards to its suppliers, Mediaset España transfers the commitments to respect, inter alia, employment and trade union employee's rights, as described in "Supply Chain Management".
G4-HR5 G4-HR6	Mediaset España manages the participation of artist's who are minor's in its programmes strictly following the criteria and procedures established in this regard by the Ministry of Employment in Madrid, so there is no risk of child exploitation. Also, through all Human Resources management mechanisms, mentioned in the "Team Management" section, the Group ensures that no forced employment incidents occur and it has established channels for reporting any incident, in the event that it should occur. With regards to Mediaset's suppliers, they assume the commitment to not use child labour and reject any kind of forced labour, as described in the "Supply Chain Management" section.
G4-HR8	There are no incidents related to the violation of indigenous rights.
G4-HR9	The procedures to ensure compliance with human rights are fully implemented in the Mediaset España Group and guaranteed by the management mechanism concerning each area: Content Management, Team Management, Advertising Management, Stakeholder Relations, etc., widely developed along the section corresponding to the Governance Model. In particular, with regards to employment rights, they are fully guaranteed by the application of the collective agreements and any potential impacts in this area are regularly monitored by the Workers Unions, which present any issues that may arise in this regard to the Works Council.
G4-HR12 G4-SO11	During 2017, Mediaset España did not receive complaints regarding human rights or social impacts, different from the employment complaints (LA16) or those related to the content broadcast and protection of minors (PR4 and PR9), that have been filed against them, addressed or resolved through formal grievance mechanisms.
G4-SO1	Mediaset España has no information systems in place enabling this information to be obtained.
G4-SO2	The activities carried out by Mediaset España generate positive impacts on local communities through direct and indirect job, leisure creation and cooperation with causes and social organisations.
G4-SO5	In 2017, there has not been episodes of corruption involving the company, and therefore, there has been no need to take any action.



G4-SO6	Mediaset España does not give any financial or in-kind contribution to political parties, politicians, and related institutions.
G4-SO7	In 2017, no legal penalty proceedings have been filed for causes related to monopolistic practices or against free competition.
G4-PR1	Mediaset España fulfils all legal requirements in this regard and its action guidelines are set out in Risk Management, Content Management" and Advertising Management.
G4-PR2	During 2017, there have been no incidents resulting from a breach of regulations or voluntary codes concerning the impact of products and services on health and safety.
G4-PR4 G4-PR9	In 2017, Mediaset España has not received any penalties related to the breach of current regulations in this area, which reflects an excellent assimilation of the content qualification criteria established in the Self-Regulation Code on Television Contents and Infancy.
G4-PR5	The measurement of the audience satisfaction is followed daily by the Antenna team, adjusting the programming grid based on the results. Mediaset España does not publicly disclose this information given that it is sensitive business data.
G4-PR6	The products marketed by the company are subject to compliance with applicable law. If during 2017 a product or programme had been taken to court, and there were good grounds, the company has taken all the necessary precautionary measures for the suspension of any marketing, until the issue had been solved.
G4-PR7 G4-SO8	Mediaset España has taken all possible care to guarantee a responsible management of its business, both with contents and advertising broadcasted. Nevertheless, there have been situations where the developed procedures have not been able to counteract possible non-compliance of procedures and commitments. Therefore, in 2017, Mediaset España received seven penalties related to non-compliance of advertising regulations for an amount of €69,689.4.
G4-PR8	During 2017 complaints regarding the violation of privacy and loss of customer data have not been received.
G4-EN2	Mediaset España has no record of used materials valued.
G4-EN8 G4-EN9 G4-EN22 G4-EN26	Mediaset España's offices are located on urban land and therefore use the urban water and sewage networks
G4-EN10	Mediaset España uses water from the urban network and does not use recycled or reused water.
G4-EN11	The facilities managed directly by the Mediaset España Group are located on industrial estates or in urban areas, away from protected areas.
G4-EN12	The possible impacts that might occur during the production of television contents are managed by Mediaset España taking into consideration its minimisation and always considering the strict compliance of current legislation. For further information see Environmental Performance, Production carried out in Natural Environments section.

G4-EN13	The activity carried out by Mediaset España has not had an impact on protected habitats beyond recordings programmes whose management measures are described in the section Environmental Performance, Production carried out in Natural Environments.
G4-EN14	Mediaset España carries out its direct activities in urban areas and therefore has no impact on natural areas. In the case of productions carried out in natural environments, these have been carried out according to appropriate protocols for ensuring its conservation and not affecting it, as described in the section Environmental Performance, Production carried out in Natural Environments.
G4-EN20	The refrigerant gases that Mediaset España uses in its air conditioning units have ODP equal to zero and therefore do not damage the ozone layer, except for that equipment which uses R22 and are part of the equipment renewal plan defined by the responsible area. Under the current legal regulations, the equipment using this gas must be replaced and in no case can the R22 gas be filled, so it would not produce emissions to the atmosphere that would damage the ozone layer.
G4-EN24	Given the nature of the Group's activities, there is no risk of spills of hazardous substances.
G4-EN28	Given that the main activity of the Group is broadcasting audio-visual content, there are no significant products or packaging materials generated which could be regenerated at the end of its useful life. Residual packaging materials produced are considered non-significant. Nevertheless, the Group has covered its responsibilities as a waste producer, while managing all waste produced by the products purchased and the associated CO2 emissions are calculated, both upstream and downstream.
G4-EN29 G4-EN34	In 2017, Mediaset España has not received any environmental claim and has received no significant fines or sanctions for non-compliance with environmental legislation.
G4-EN30	Given the activities carried out by Mediaset España, there are no significant environmental impacts transporting products or other material goods. In the Environmental Performance Section, the impacts caused by transporting members of the workforce are broken down.
G4-EN31	In 2017, environmental investments amounting to €359,305 were made, corresponding to the renovation of 527 lighting elements, 16 air conditioners and 113 computers and the installation of solar panels.



Glossary

Assets: Group of assets and rights owned by a company.

Audience (television): Number of people over 4 years of age that are watching television at a given moment.

Blog: Also known as a web log, a blog is a regularly updated website that displays texts or articles by one or more authors in chronological order—in which the most recent appears first—with a particular purpose or theme, in which the author has the freedom to post anything he or she believes is relevant.

Broadcast: Distribution of audio and/or video signals that transmit programs to an audience. The audience can be the public in general, or a relatively large sector of the public such as children or young people.

Climate change (global warming): Change in overall atmospheric conditions attributed directly or indirectly to human activity, which increases the natural variability of the climate observed during comparable time periods.

CO₂ equivalent: International methodology for measuring greenhouse gas emissions used to establish the equivalence between heat retention of any gas of this type and that of CO₂. In this manner, all gases are converted to the CO₂ measurement, enabling a homogeneous calculation of any greenhouse gas.

Coach: programme that contributes to personal growth and professional development.

Commercial target: Audience group comprised of individuals between 13 and 54 years of age, from the middle and upper classes who live in cities with 10,000 or more inhabitants.

Commuting: daily journal from home to work.

Contract hire: rental contract under which the contract hire company purchases a new car, at the customer's request and makes it available to the customer for a specific time, including all expenses.

Day time: Broadcast period during daylight hours.

Digital forum: Web application that serves as a platform for exchanging opinions or holding discussions or debates online.

Digital interview: System of communication via the Internet in which one or more experts on specific topics receive questions from users and respond to them through the web.

DTT (Digital Terrestrial Television): Digital television platform that uses terrestrial broadcast systems, in other words, antennas located on the surface of the earth.

EBIT: Earnings before interests and taxes.

Environmental impact: Any change in the environment, adverse or beneficial, that results from human activity.

Free float: Floating capital that can be traded immediately. These are shares that are not held by large owners and which are not subject to sales restrictions.

Frequency index: This index expresses a relationship between the occurrence of workplace accidents resulting in absence from work in relation to the length of exposure to the risk.

GJ: Gigajoule – energy measurement unit

Greenhouse effect: Phenomenon by which certain gases that make up the atmosphere retain part of the energy from solar radiation emitted by the ground, causing a moderation of temperature variations of the earth and an increase in its average temperature. This phenomenon is being intensified by the emission of certain gases in large quantities, such as CO₂ and methane, caused by human activity.

Greenhouse Gas Protocol: International instrument used by government and companies to record and manage their greenhouse gas emissions. This initiative was created by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute.

Greenhouse gases: Compounds that are found in the atmosphere and which, due to their properties, are responsible for the greenhouse effect. The massive emission of these gases through activities such as

the burning of fossil fuels increases the greenhouse effect; this increase is recognized as the leading cause of global climate change. Among these substances the following ones are included: CO₂, CH₄ (methane), N₂O, HFCs, PFCs, SF₆ and water vapour.

GRI (Global Reporting Initiative): Initiative started in 1999 to develop and disseminate applicable directives for preparing sustainability documents and reports. These guidelines, to be used on a voluntary basis by organisations, exist for the purpose of improving the quality of their reports and achieving greater comparability, consistency and efficiency in their dissemination.

GRP (Gross Rating Point): The basic rating point is the unit of measure of advertising effectiveness. It consists of the percentage of the audience that viewed a given television spot compared to the potential market determined previously between the television operator and the advertiser/media centre. Data that is later contrasted with the data provided by Taylor Nelson Sofres. GRP are measured per minute, although the advertising spots tend to have a shorter duration. GRP can also be calculated by multiplying the net coverage by the frequency of a spot.

Gymkhana: from the Hindi and Persian terms khana and gend, meaning “ball game” and currently used to refer to games involving various competitive events.

Incidence index: Ratio of occupational accidents to the average number of workers exposed to the risk. This index indicates, therefore, the probability of an occupational accident occurring to the staff.

Late night: Programming block from 0:00 to 2:30.

Liabilities: Total obligations and debts contracted by a company. The liabilities represent the company's source of financing.

Moderation: Work of controlling user-added content in the available forms of debate and participation so that this does not include content that is inappropriate, offensive or prohibited under the conditions established for the use of these applications. Once the text has been approved by the moderator, it is published on the Internet.

Morphing: Creative process of merging the image of the advertiser with that of the channel.



Occupational accident: Diseases, pathologies or injuries caused by or at work.

Page view: Files sent in response to a user request received by a server. When a page is made up of several frames, the group of frames will be considered a single page for calculation purposes.

Payout: Portion of corporate earnings used to pay dividends. This is expressed as a ratio and is the result of dividing the dividend by the net earnings and multiplying the result by 100.

Post-moderation: Work of controlling user-added content once it has been published in the different forms of debate and participation available in web applications. If the published content is considered inappropriate, offensive or does not comply with the established conditions of use, it will be eliminated from the application.

Power ratio: In a media company, this statistic indicates the performance of revenues compared to the audience share.

Prime time: Programming block from 21:00 to 00:00, during which time the maximum audience is reached.

Prime-time access: The programming block prior to prime time.

Rating: Analytical instrument that permits valuation of the risk of a company or of a broadcast. Normally, higher ratings are demanded of the broadcasters with the weakest financial position (worst rating) to compensate for the greater risk assumed.

Remake: In film and television, a new version of a previously released program or film, or a local version of a series in a country other than the one in which it originated.

Rich media: Internet advertising term assigned to a web page that uses advanced technology such as on-demand video, program downloading with user interaction and advertising that changes when the user passes the cursor over it.

Roadshow: Technical, economic and commercial information forum.

Security document: Name of a mandatory document that all companies must have available to the Spanish Data Protection Agency [Agencia Española de Protección de Datos] in which the measures and procedures that each company must have in place for complying with the Security Measures Regulation (Royal Decree 1720/2007, of 21 December) [Reglamento de Medidas de Seguridad (Real Decreto 1720/2007, of 21 Decembre)] are detailed.

Security Measures Regulation: This is RD 1720/2007, of 21 December, which implements Organic Law 15/1999, the Data Protection Organic Law.

Severity index: This index compares the number of days with absence from work with the number of hours the worker is exposed to the risk. The importance of this index is that it includes, in addition to the consequences of the injuries, the cost in terms of time lost from work as a result of the accidents.

Share: Distribution of the actual audiences amongst all channels, expressed as a percentage.

Share capital: Monetary amount or value of the assets that the shareholders of the company own. The rights that shareholders acquire in the company will depend on the share capital contributed. This is divided into equal and indivisible portions called shares.

Shareholder: Individual or legal entity that holds shares in a company, making it an owner of the company in proportion to the number of shares it holds.

Sitcom: Also known as situation comedies, sitcoms refer to a type of series originating in USA which usually have certain characteristics: recorded or live laughter, a shorter duration, self-contained chapters etc.

Site: Group of web pages generally associated with the same Internet domain which normally are on the same topic or serve the same purpose.

Spanish energy mix: Types of energy used to generate electricity (nuclear, solids, oil and gas, bio-mass, waste, hydro-electric, wind, solar, geothermal and other renewable sources)

Spin-off: project born as an extension of a previous project, on television, which generally refers to a new series deriving from a previous series as regards situations, plots or characters.

Stakeholders: All of the persons, institutions or groups that significantly affect the activity of an organisation and its decisions, and/or that may be affected by them.

Sustainable development: The appearance of the concept of Sustainable Development goes back to the presentation in 1987 of the report "Our Common Future" by the World Commission on Environment and Development (Brundtland Commission) created by the UN, where it was defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

Target audience: Group of persons to which the channel addresses its advertising messages.

United Nations Global Compact: International initiative put forth by the United Nations in 1999 which invites an ethical commitment by companies and has the goal of obtaining a voluntary commitment on the part of institutions with respect to social responsibility by means of implementing Ten Principles or fundamental values related to human rights, labour practices, the environment and the fight against corruption. Its purpose is to foment the creation of a global corporate citizenship which permits the reconciliation of the interests and processes of business activity with the values and demands of civil society, as well as with the projects of the UN, international sector organizations, unions and NGOs.

Webcast: Television program designed for transmission over the Internet.

Windows: The different means of commercially exploiting an audiovisual content in terms of time. The most common windows for audiovisual content are movies, DVD and video, pay per view, cable television and free television.

XDCAM: Professional video system that uses a PFDdisc, similar to Blu-ray, and which, due to its characteristics, can be reused for a very long period.

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