



Parques Reunidos Servicios Centrales, S.A. (“**Parques Reunidos**” or the “**Company**”), pursuant to article 228 of the consolidated text of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, hereby informs of the following

### **MATERIAL FACT**

Following the material fact regarding the call of the General Shareholders Meeting made public on 8 February 2018 with registration number 261422, the Company hereby attaches the following documentation:

- (i) the notice calling the General Shareholders Meeting to be held, presumably, next 21 March 2018 in first call;
- (ii) the proposed resolutions of the Board of Directors that may be adopted by the General Shareholders Meeting; and
- (iii) the directors’ reports referring to the items on the agenda of the General Meeting that require them

It is also hereby reminded that the Company’s individual annual accounts and management reports and the consolidated accounts and reports of the Company and its group corresponding to the financial year ending 30 September 2017, which are submitted to the approval of the General Shareholders Meeting, with the respective audit reports, the Annual Corporate Governance Report and Directors Remunerations Report corresponding to the said year, have already been submitted to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*). They have also been made available to the shareholders on the Company’s website ([www.parquesreunidos.com](http://www.parquesreunidos.com)), together with the rest of the documentation related to the General Meeting that must be made available to the shareholders with the notice and, in particular, the directors’ or relevant Board committees reports relating to the resolutions proposed under items 7.1, 7.2, 7.3, 7.4, 7.5, 8, 11 and 12 of the Agenda.

In Madrid, on 15 February 2018

Parques Reunidos Servicios Centrales, S.A.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. ORDINARY GENERAL SHAREHOLDERS MEETING 2018**

### **VENUE, DATE AND TIME OF THE MEETING**

The Board of Directors of Parques Reunidos Servicios Centrales, S.A. (the "**Company**") has resolved to convene the Ordinary General Shareholders Meeting to be held at Madrid, calle de Juan Ignacio Luca de Tena, 36, Hotel Meliá Avenida América, on 21 March 2018 at 12:00 hours, on first call and, if there is no quorum, on second call, on the following day, 22 March 2018, at the same time and venue. The shareholder registration desks will open at 10:00 hours.

### **AGENDA**

#### **I. Items related to the financial statements, corporate management and auditor re-appointment:**

- First** Review and, where appropriate, approval of the individual annual accounts of the Company and the consolidated accounts including its subsidiaries, corresponding to the year ending 30 September 2017.
- Second** Review and, where appropriate, approval of the Company's individual management reports and the consolidated report including its subsidiaries, corresponding to the year ended 30 September 2017.
- Third** Review and, where appropriate, approval of the management and activity of the Board of Directors in the year ended on 30 September 2017.
- Fourth** Re-election, where appropriate, of KPMG Auditores, S.L. as auditor of the Company's accounts and of its consolidated group for the financial year ended on 30 September 2018.

#### **II. Items related to shareholder remuneration:**

- Fifth** Review and, where appropriate, approval of the proposal to distribute the individual income corresponding to the year ended on 30 September 2017.

#### **III. Items related to the Board of Directors:**

- Sixth** Determination of the number of members of the Board of Directors.
- Seventh** Appointment, ratification and reelection of directors
- 7.1 Ratification of the appointment and reelection of Mr Colin Hall as director, with the category of proprietary director, for the statutory period of four years.
- 7.2 Ratification of the appointment and reelection of Ms Ana Bolado Valle as

director, with the category of independent director, for the statutory period of four years.

7.3 Appointment of Mr Mario Armero Montes as director, with the category of proprietary director, for the statutory period of four years.

7.4 Appointment of Mr Carlos Ortega Arias-Paz as director, with the category of proprietary director, for the statutory period of four years.

7.5 Appointment of Ms Jackie Kernaghan as director, with the category of independent director, for the statutory period of four years.

#### **IV. Items related to remuneration:**

**Eighth** Approval, where appropriate of the amendment to the directors remuneration policy, applicable to the financial years 2017, 2018 and 2019.

**Ninth** Approval, where appropriate, of the grant of stock options to the Chief Executive Officer for the purposes of the new Long Term Incentive Plan (LTIP II) of the Company.

**Tenth** Approval, where appropriate, of the maximum annual global remuneration of the directors in their capacity as such

#### **V. Items related to the corporate governance of the Company:**

**Eleventh** Approval, where appropriate, of the amendment of the following articles of the Articles of Association: article 4 (Term of Company, commencement of operations and financial year); article 18 (Entitlement to attend); article 41 (Preparation and verification of the annual accounts); and introduction of a transitory provision.

11.1 Amendments regarding the financial year

11.2 Amendments regarding the right to attend the General Shareholders Meeting

**Twelfth** Approval, where appropriate, of the amendments to the Regulation of the General Shareholders Meeting to adapt its content to the latest amendments to the Articles of Association.

#### **VI. Item related to general matters:**

**Thirteenth** Delegation of powers to formalise and execute all the resolutions adopted by the General Shareholders Meeting, for their notarisation as a public document and their interpretation, correction, complementation, development and registration.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **VII. Item related to advisory matters:**

**Fourteenth** Consultative vote on the annual report on the remuneration of directors for the financial year ended on the 30 September 2017.

### **SUPPLEMENT TO THE MEETING ANNOUNCEMENT AND PROPOSED RESOLUTIONS WITH JUSTIFICATIONS**

The shareholders representing at least 3% of share capital can request the publication of a supplement to this meeting announcement, including one or more items on the agenda, provided that the new items include a justification or, where applicable, a proposed resolution with justifications. That right must be exercised by notifying it in a reliable way and which must be received at the Company's registered address (Parques Reunidos Servicios Centrales, S.A., Paseo de la Castellana, 216, 28046, Madrid, Spain) within five (5) days of the publication of this announcement.

Likewise, the shareholders representing at least 3% of share capital can, within the same five (5) days of the publication of this announcement, submit proposed resolutions with justifications regarding matters already included or which must be included in the agenda in accordance with the provisions of article 519.3 of the Spanish Companies Act.

The notification must state the full name of the shareholders making the request and the corresponding documentation—a copy of the card that includes the attendance, proxy and remote voting (the “**attendance card**”) or the authentication certificate—which accredits their shareholder status with the aim of cross-checking that information with that provided by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), as well as the content of the items that the shareholders suggest or the content of the proposals made by the shareholders.

In the event that the shareholders suggest new items on the agenda, they can be requested to also include the proposals and reports justifying the proposals referred to in the items included in the supplement, under the circumstances where this is legally necessary.

The supplement to the announcement will be published at least fifteen (15) days before the date scheduled for the meeting.

### **RIGHT OF ATTENDANCE**

Shareholders may attend the General Shareholders Meeting whatever the number of shares they hold, provided that said shares are registered in their name in the corresponding book entry registry five (5) days before the date on which the Meeting is to be held, and such registration duly proven on entering the venue of the General Meeting, within the two (2) hours prior to the commencement of the Meeting, by means of the corresponding attendance card indicating the number of shares held and the number of votes which may be cast. The attendance card will be issued by the entities participating in Iberclear to the owners of the shares that are able to prove



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

that their shares were registered five (5) days prior to the date on which the Meeting is to be held.

For the purposes proving the identity of the shareholders, or of their proxy representatives, those attending may be asked, at the entrance to the venue where the General Shareholders Meeting is to be held, to prove their identity by providing their National Identity Card or any other unexpired official document generally accepted for these purposes, together with the attendance card.

Once the process of registering the attendance, proxy and remote voting cards has been finished, and the existence of sufficient quorum is established, the list of participants will be drawn up.

### **PROXY AND REMOTE VOTING**

#### **A. Right to proxy representation and delegation by remote means**

In accordance with the provisions of article 19 of the Articles of Association and 13 of the Regulations of the General Meeting, all shareholders with the right to attend may be represented at the General Meeting by another person, even if such person is not a shareholder in the Company, meeting the requirements and formalities laid down by the applicable law, the Articles of Association and the rest of the internal regulations of the Company.

The delegation of proxy representation must be completed and signed by the shareholder, subscribing the corresponding attendance card issued by the participating entity in Iberclear.

The proxy must exercise said representation by attending the Meeting personally and handing in the attendance card issued by the participating entity in Iberclear at the shareholder registration desk, at the place and date indicated for the General Shareholders Meeting, within the two (2) hours prior to the beginning of the meeting.

Proxy representation is always revocable. The attendance of the represented person, whether physically or by virtue of having cast a remote vote, entails the revocation of any delegation to a proxy, whatever the date it was made. In case a shareholder makes several delegations or casts several votes, the last power of representation granted or the last vote cast and received by the Company within the established deadlines shall take precedence.

As a general rule, and provided that the dates can be proven without doubt, the last action taken by the shareholder prior to the General Shareholders Meeting shall be taken as valid. In case of doubt, the vote of the shareholder shall take precedence over the proxy delegation.

A separate power of proxy representation must be granted individually for each General Meeting, in writing and may be granted by remote means of communication.

If voting instructions have been given by the represented shareholder, the representative shall cast the vote in accordance with such instructions and shall be obliged to preserve the instructions for a period of one (1) year from the date of the Meeting.

There is no limit to the number of shareholders that a proxy may represent. A proxy who represents several shareholders may cast different votes, in line with the instructions given by each



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

shareholder.

In any case, the total number of represented shares shall be counted for the valid constitution of the Meeting.

The documents granting proxy representation at a General Shareholders Meeting must include, at least, the following:

- (i) The date of the General Meeting and the Agenda.
- (ii) The identity of the represented shareholder and the proxy.
- (iii) The number of shares held by the represented shareholder.
- (iv) Instructions regarding how the votes of the represented shareholder are to be cast with regard to each of the items on the Agenda, if appropriate.

The President of the General Meeting, or the persons designated through the mediation of the President, shall be understood to be empowered to determine the validity of the proxy representation granted and its compliance with the requirements for attendance at the General Shareholders Meeting.

The provisions of the above paragraphs shall not be applicable when the proxy is the spouse, ascendant or descendant of the represented shareholder and proof is provided of such relationship, nor shall they be applicable when the proxy holds a general power of attorney granted in a public deed, includes powers to administer all of the estate of the represented person within the Spanish territory and a copy of such deed is provided.

When granted by remote means of communication, proxy representation shall only be valid if granted:

**1. By post or by delivery**

The attendance card issued by the participating entity in Iberclear, with the corresponding section duly signed and completed by the shareholder, must be delivered or sent to the registered office of the Company (Parques Reunidos Servicios Centrales, S.A., Paseo de la Castellana, 216, 28046, Madrid, Spain). The proxy representation granted and the identity of the represented shareholder must be clearly detailed.

In case that the attendance card issued by the participating entity in Iberclear does not include the section relating to the delegation of representative power or if the section is incomplete, the shareholder may use the attendance card provided to shareholders by the Company on its website ([www.parquesreunidos.com](http://www.parquesreunidos.com)). Said attendance card, duly signed, must be delivered to the Company by post at the address given in the previous paragraph, together with the corresponding attendance card, duly signed, issued by the participating entity in Iberclear.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **2. By electronic communication**

Proxy representation granted by electronic means will be accepted as from 15 February 2018 through the Company's website ([www.parquesreunidos.com](http://www.parquesreunidos.com)), by accessing the representation section and following the procedure established therein.

To do this, it is necessary to hold a recognised electronic signature, under the terms laid down in Law 59/2003, of 19 December, on Electronic Signatures, which must be based on a recognised electronic certificate for which there is no record of its revocation and which (i) is a User Electronic Certificate issued by the Spanish public certification authority, CERES, of the Spanish national mint (Fábrica Nacional de Moneda y Timbre); or which (ii) is incorporated into an Electronic National Identity Card issued pursuant to Royal Decree 1553/2005, of 23 December, which regulates the issue of National Identity Cards and electronic signature certificates.

### **B. Voting rights and the exercise of remote voting rights**

Shareholders with attendance and voting rights may cast their votes on the proposals made with respect to the items on the Agenda prior to the Meeting, by post or electronically, under the terms laid down in the law, in articles 22 of the Articles of Association and articles 11 and 26 of the Regulations of the General Meeting.

#### **1. Vote by post or by delivery**

In order to cast a vote by post, the shareholder must fill in and sign the attendance card issued in their name by the participating entity in Iberclear, in which the shareholder must specify the vote (in favour, against, abstention or blank), marking with a cross the corresponding box in the table which appears on the attendance card issued by the participating entity in Iberclear.

Once the corresponding section has been completed and the attendance card signed, the shareholder must deliver or send it by post to the registered office of the Company (Parques Reunidos Servicios Centrales, S.A., Paseo de la Castellana, 216, 28046, Madrid, Spain).

In case that the attendance card issued by the participating entity in Iberclear does not include the section relating to remote voting or if the section is incomplete, the shareholder may use the attendance card provided to shareholders by the Company on its website ([www.parquesreunidos.com](http://www.parquesreunidos.com)). Said attendance card, duly signed, must be sent to the Company by post at the address given in the previous paragraph, together with the corresponding, duly signed attendance card issued by the participating entity in Iberclear.

#### **2. Electronic voting**

As from 15 February 2018, the shareholder may also cast its votes by authorised electronic means, using the shareholder's legally-recognised electronic signature under the same terms as those laid down in point 2 of section A above, regarding the grant of proxy representation, and in section C, below. The vote should be cast through the Company's website ([www.parquesreunidos.com](http://www.parquesreunidos.com)) by



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

accessing the designated section and following the procedure established therein.

### **C. General provisions regarding delegation and remote voting**

Valid proxies granted and votes cast by remote means of communication (postal or electronic) must be received by Company before 23:59 hours on the day immediately prior to the date on which the General Meeting is to be held, otherwise the proxy shall be taken not to have been conferred and the vote not to have been cast. After the expiry of this deadline, only votes cast in person at the General Shareholders Meeting by the shareholder or the person validly representing the shareholder will be allowed.

Proxy representative may only exercise the right to vote of the represented shareholder by personally attending the Meeting. On the day and at the venue of the Meeting, the proxy representatives, whether appointed by post or electronically, must identify themselves within the two (2) hours prior to the commencement of the Meeting, by means of their National Identity Card or any other unexpired official document which is generally accepted for these purposes, in order for the Company to verify the power of representation granted, and providing a copy of the attendance card issued by the participating entity in Iberclear sent to the Company (by post) or of the electronic document which the shareholder completed on the website of the Company in order to grant such power of representation.

When the shareholder exercises the right to vote or grants power of proxy representation using remote means of communication, such actions must be recorded in the shareholder's name in the corresponding book entry registry at least five (5) days in advance of the date on which the General Meeting is to be held.

Likewise, the validity of the proxy representation granted and of the remote vote will be subject (with the file provided by Iberclear) to a check of the status as a shareholder. In case of discrepancy between the number of shares notified by the shareholder granting proxy representation or casting a vote remotely and the number which appears in the book entry registry notified by Iberclear, the number of shares notified by Iberclear shall be considered valid for the purposes of quorum and voting, unless proof to the contrary is provided.

The power of proxy representation granted and the vote cast by post or electronically may be rendered without effect by express revocation by the shareholder. Such revocation must use the same mean as that used to grant the power of proxy representation or to cast the vote and must be exercised within the deadline established.

A shareholder who grants power of proxy representation by electronic means undertakes to notify the designated representative of the granted proxy. When the power of proxy representation is granted to the President of the Board of Directors or of the Meeting, or to a Director, or to the Secretary or the Vice-Secretary of the Board of Directors of the Company, this notification shall be understood to have been given through the reception by the Company of the electronic





*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

delegation. The power of proxy representation must be accepted by the representative; otherwise, it shall not be considered valid.

Before its appointment, the proxy representative must inform the shareholder of the existence of any conflict of interest. If the conflict of interest arises after the appointment and the represented shareholder was not warned of its possible existence, the shareholder must be informed immediately. In both cases, if new, precise voting instructions are not received with respect to each of the items on which the proxy representative is to vote in the name of the shareholder, the proxy should abstain from casting a vote.

For the purposes of the provisions included in articles 523 and 526 of the Spanish Companies Act (Ley de Sociedades de Capital), it is put on record that the President of the Meeting, and other members of the Board of Directors, may be in a situation of conflict of interest with respect to (i) items Three (Review and approval, if appropriate, of the management and activities of the Board of Directors during the financial year ended on 30 September 2017), item Eighth (Approval, where appropriate of the amendment to the directors remuneration policy, applicable to the financial years 2017, 2018 and 2019), item Fourteenth (Consultative vote on the annual report on the remuneration of directors for the financial year ended on 30 September 2017) of the Agenda; and (ii) the cases described in sections a), b), c) and d) of article 526.1 of the Spanish Companies Act (appointment, re-election or ratification of directors, removal, separation or discharge of directors, the exercise of corporate liability action and approval and ratification of the transactions of the Company with a director) which may be tabled outside the Agenda, in accordance with the law. Furthermore, the chief executive officer, Mr Fernando Eiroa, may be in a conflict of interest situation regarding item Ninth of the Agenda (Approval, where appropriate, of the grant of stock options to the Chief Executive Officer for the purposes of the new Long Term Incentive Plan of the Company) and the directors Mr Colin Hall and Ms Ana Bolado Valle may be in a conflict of interest situation regarding items 7.1 and 7.2 of the agenda (ratification and reelection of directors), respectively.

If the proxy has been validly granted pursuant to applicable regulations and the internal regulations of the Company but does not include instructions regarding the exercise of the vote or if there is any doubt regarding the identity of the representative or the scope of representative power, it shall be understood that (i) the delegation is made to the President of the Board of Directors (or, in his absence, the Vice-President of the Board), without prejudice to the stipulations below for cases of conflict of interest; (ii) it refers to all the items included on the Agenda of the General Shareholders Meeting, (iii) the vote is favourable to all of the proposed resolutions by the Board of Directors; and (iv) it also covers the off-Agenda items which may arise, with respect to which the proxy shall abstain from voting, unless there are sufficient elements to judge that it would be more favourable to the interests of the represented shareholder to vote in favour or against such proposed resolutions.

Without prejudice to the provisions of the previous paragraph, in case the proxy representative is



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

in a situation of conflict of interest, it shall be understood that the represented shareholder has also designated as successive joint and several representatives the President of the General Shareholders Meeting and, if the President is in a situation of conflict of interest, the Secretary of the General Shareholders Meeting and if, in turn, the Secretary is also in a situation of conflict of interest, the non-executive Vice-Secretary of the Board of Directors.

Likewise, a shareholder who casts a vote by post or electronically and does not mark one or any of the boxes indicating the vote with respect to the items on the Agenda, it shall be understood that the shareholder wishes to vote in favour of the respective proposals made by the Board of Directors.

The rules of precedence between delegation, remote voting and personal voting at the Meeting are as follows:

- (i) The personal attendance at the Meeting of a shareholder who has delegated a vote or who has already voted remotely, whatever the means used to cast the vote, shall cancel such delegation or vote.
- (ii) In case a shareholder makes several delegations or casts several votes, the last proxy representation granted or the last vote cast which has been received by the Company within the established deadlines shall take precedence.
- (iii) As a particular rule, a vote cast by any remote means of communication shall cancel any grant of proxy representation made electronically or by means of a printed card, whether prior, in which case it shall be taken to be revoked, or subsequent, in which case it shall be taken not to have been made.
- (iv) Both the proxy representation and the vote cast remotely shall lose all effect if, to the knowledge of the Company, the shares which carry the attendance rights have been disposed of.

The Company will provide shareholders with forms which they may use for proxy delegation and voting by post or remotely on its website ([www.parquesreunidos.com](http://www.parquesreunidos.com)) under the terms laid down in this announcement.

Any of the joint holders of depositary receipts for shares may vote, delegate and attend, and the rules of precedence established above shall be applicable among them. For the purposes of article 126 of the Spanish Companies Act, it is assumed that a joint holder who at any time attends, delegates or votes in the exercise of the rights of the joint holders does so by the designation of the rest of the joint holders.

In the case that the shareholder is a legal person, it must notify the Company of any modification or revocation of the powers held by its representative and, therefore, the Company shall bear no responsibility until such notification is given.

Shareholders hold exclusive responsibility for the custody of their own electronic signatures.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

The electronic document completed by the shareholder on the Company's website, authorised with the shareholder's recognised electronic signature, shall be taken as a copy in unalterable electronic format of the attendance card and proxy delegation for the purposes of compliance with the provisions of the Regulations of the General Meeting and of the Articles of Association for the delegation of representation and the electronic casting of votes.

The Company reserves the right to modify, suspend, cancel or restrict the remote voting and proxy delegation mechanisms should technical or security reasons so require or oblige. Likewise, the Company reserves the right to request such additional identification means as it deems necessary in order to guarantee the identity of participants, the authenticity of the vote and of the proxy representation granted and, in general, the legality of the acts of the General Shareholders Meeting.

Parques Reunidos Servicios Centrales, S.A. shall bear no responsibility for any damages which may be caused to the shareholder as a result of breakdowns, overloads, fallen lines, connection failures, malfunction of the postal service or any other eventuality of the same or similar nature which is beyond the control of the Company, and which prevent the use of the remote proxy delegation and voting mechanisms.

With respect to shareholders which are legal persons, when the postal service is used to grant representation remotely to a third party or to vote remotely, at the request of the Company, it must send, together with the rest of the documentation required under these rules, a copy of the power of attorney of the physical person who, in the name of and representing said shareholding legal person, grants power of representation to a third party or exercises the remote vote.

Shareholding legal persons and non-residents in Spain should consult the Department for Shareholder Attention ([investor@parquesreunidos.com](mailto:investor@parquesreunidos.com)) in order to consider the possibility, if appropriate, of adapting, with all due guarantees, the remote voting and representation mechanisms to their particular situations.

Likewise, if the shareholder is a legal person, it must communicate to the Company any modification or revocation of the powers held by its representative and, therefore, the Company shall bear no responsibility until such notification is given.

The computer programs used to exercise the right to vote and for delegation by electronic means will be operative as from 15 February 2018 and will close at 23:59 hours on 20 March 2018. For these purposes, the Company shall implement an electronic dating system, through a third party and with an objective time source (time stamping) to certify the moment at which the vote and/or electronic representation was received, as well as, if applicable, the acceptance or rejection of the same.

### **RIGHT TO RECEIVE INFORMATION AND AVAILABLE DOCUMENTATION**

In accordance with article 518 of the Spanish Companies Act, as of the publication of the



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

announcement convening the Meeting and until it is held, the following documents and information, among others, will be made uninterruptedly available to shareholders on the Company's website ([www.parquesreunidos.com](http://www.parquesreunidos.com)):

- The announcement of the calling of the General Shareholders Meeting.
- The total number of shares and voting rights on the date of the announcement.
- The full text of the proposed resolutions to be adopted, where appropriate, by the Ordinary General Shareholders Meeting of the Company regarding each item on the Agenda, and the corresponding reports by the Board of Directors and, if applicable, the Board Committees, which are legally required.
- The Annual Financial Report for the financial year ended on 30 September 2017, including the individual and consolidated annual accounts, individual and consolidated management reports, the corresponding auditors' reports for said financial years and the declarations of responsibility of the directors.
- The Articles of Association currently in force.
- The Regulations of the General Shareholders Meeting currently in force.
- The Annual Corporate Governance Report for the financial year ended 30 September 2017.
- The annual report on the remuneration of the directors of the Company for the financial year ended on 30 September 2017, which is to be subject to a consultative vote as a separate item on the Agenda.
- The report of the Board of Directors, together with the required prior report issued by the Appointments and Retribution Committee, on the competence, experience and merits of Mr Colin Hall, whose ratification and reelection as a proprietary director has been proposed, including, among other details, the identity, curriculum vitae and category of the director
- The report of the Board of Directors, together with the required prior report issued by the Appointments and Retribution Committee, on the competence, experience and merits of Ms Ana Bolado Valle, whose ratification and reelection as independent director has been proposed, including, among other details, the identity, curriculum vitae and category of the director.
- The report of the Board of Directors, together with the required prior report issued by the Appointments and Retribution Committee, on the competence, experience and merits of Mr Mario Armero Montes, whose appointment as proprietary director has been proposed, including, among other details, the identity, curriculum vitae and category of the director.
- The report of the Board of Directors, together with the required prior report issued by the Appointments and Retribution Committee, on the competence, experience and merits of



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

Mr Carlos Ortega Arias-Paz, whose appointment as proprietary director has been proposed, including, among other details, the identity, curriculum vitae and category of the director.

- The report of the Board of Directors, together with the required prior report issued by the Appointments and Retribution Committee, on the competence, experience and merits of Ms Jackie Kernaghan, whose appointment as independent director has been proposed, including, among other details, the identity, curriculum vitae and category of the director.
- The report issued by the Appointments and Remuneration Commission on the modification of the remuneration policy of the directors of the Company that, together with the motivated proposed resolution by the Board of Directors regarding item Eighth on the Agenda, which may be delivered freely upon request of any shareholder, and which includes the proposed amendment of the remuneration policy.
- The Report issued by the Board of Directors of Parques Reunidos Servicios Centrales, S.A. in connection with the proposed amendment of the Articles of Association referred to in item Eleventh of the Agenda.
- The Report issued by the Board of Directors of Parques Reunidos Servicios Centrales, S.A. explaining the proposed amendment of the Regulation of the General Shareholders Meeting referred to in item Twelfth of the Agenda.
- The Regulations of the Board of Directors.
- The form or model of the attendance, proxy and remote voting card.
- The Annual Report of the Audit and Control Committee for the financial year ended 30 September 2017, including the report on the independence of the external auditor and related-party transactions.
- The Annual Report of the Appointments and Retribution Committee for the financial year ended 30 September 2017.
- Info-memo regarding the Corporate Social Responsibility Policy.
- Rules regarding the right to attend the General Shareholders Meeting and the rules for proxy, and remote voting.
- Description of the shareholders' information rights.
- The rules of the Electronic Shareholders Forum.
- Valid requests for information, clarifications or questions made by shareholders in the exercise of their right to information and the replies given by the Directors.

Likewise, in accordance with articles 272 and 287 of the Spanish Companies Act, any shareholder may examine, at the registered office, and request the delivery, free of charge (which may be by e-mail with acknowledgement of receipt if the shareholder accepts such a procedure) of the



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

documents that are to be submitted to the General Shareholders Meeting for approval in the cases where this is legally required and, in particular, the Annual Financial Report for the financial year ended on 30 September 2017, the legally-required reports issued by the directors and all other documentation that is required to be made available to shareholders for this Ordinary General Shareholders Meeting.

In accordance with articles 197 and 520 of the Spanish Companies Act, from the day of the publication of the announcement convening the General Shareholders Meeting and until the fifth (5th) day prior to the date on which said Meeting is to be held, inclusive, or verbally during the meeting, shareholders may request to the Board of Directors the information or clarifications they deem appropriate, or submit the written questions they consider relevant, with respect to the items included on the Agenda.

Likewise, within the same advance deadlines and in writing, or verbally during the Meeting, shareholders may request the clarifications they deem appropriate with respect to the publicly available information which the Company has provided to the National Securities Market Commission (Comisión Nacional del Mercado de Valores) since the last General Meeting and with respect to the auditors' report.

Except in those cases expressly provided by the law, the Board of Directors will be obliged to provide the information requested in writing up to the day of the General Meeting and, in the case of verbal requests for information made during the General Meeting, when it is not possible to fulfil the shareholder's right to information at that moment, the Board of Directors shall will be obliged to provide such information in writing within seven (7) days following the conclusion of the Meeting.

Requests for information may be delivering the request to the registered offices of the Company by post mail and tto the attention of the Company to: Parques Reunidos Servicios Centrales, S.A., Paseo de la Castellana, 216, 28046, Madrid, Spain; or electronically through the Company's website ([www.parquesreunidos.com](http://www.parquesreunidos.com)), in the place and in the manner established for these purposes.

Requests will be accepted if the electronic document requesting the information carries the legally recognised electronic signature of the shareholder, in accordance with the terms laid down in Law 59/2003, of 19 December, on Electronic Signatures, provided that they are based on a recognised electronic certificate and there is no record of its revocation and which (i) is an Electronic User Certificate issued by the Spanish public certification body, CERES, of the Spanish national mint (Fábrica Nacional de Moneda y Timbre) or (ii) is incorporated into the Electronic National Identity Card issued in accordance with Royal Decree 1553/2005, 23 December, which regulates the issue of National Identity Cards and electronic signature certificates.

Whatever the means used, the request of the shareholder must include their full name, together with proof of the shares held, by means of a copy of the attendance card issued by the participating



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

body in Iberclear or a certificate of ownership, whose purpose is to enable this information to be checked against the list of shareholders and the number of shares in their name provided by Iberclear, for the General Meeting in question. The shareholder shall be responsible for providing proof that the request was sent to the Company in the corresponding format and within the appropriate deadline.

The Company's website contains detailed instructions for the exercise of shareholders' right to information, in accordance with the provisions included in the applicable legislation.

Requests for information made by shareholders will be answered, if appropriate, once the identity and status as a shareholder of the applicant has been confirmed, prior to the General Shareholders Meeting, by the same means used to make the request, unless the shareholder indicates another preferred mean of communication. In any case, the information in question may be sent by certified mail with acknowledgement of receipt or by registered fax.

### **SPECIAL INFORMATION INSTRUMENTS**

In accordance with article 539.2 of the Spanish Companies Act and the terms included in it, in order to facilitate communication of shareholders prior to the General Meeting, an Electronic Shareholders Forum will be enabled with all due guarantees on the Company's website, which may be accessed by all individual shareholders and any voluntary associations which might be constituted pursuant in accordance with the aforementioned article.

The Forum may be used to publish proposals to be presented as a supplement to the Agenda included in the announcement convening the General Shareholders Meeting, requests support for such proposals, present initiatives to achieve sufficient percentage to exercise minority right as provided in the law, as well as presenting offers of or requests for voluntary representation.

Access to the Forum and the terms and conditions of its use and operation shall be governed by the provisions included in this announcement and the Operating Rules for the Electronic Shareholders Forum, which may be accessed on the Company's website.

### **NOTARIAL INVOLVEMENT AT THE GENERAL SHAREHOLDERS MEETING**

The Board of Directors resolved to request the presence of a notary public so that he/she can issue the minutes of the Ordinary General Shareholders Meeting, in accordance with the provisions of article 203 of the Spanish Companies Act in relation to article 101 of the Companies Registration Office Regulations.

### **OTHER INFORMATION OF INTEREST TO SHAREHOLDERS**

It is hereby stated that the Ordinary General Shareholders Meeting will foreseeably be held at first call, i.e. on 21 March 2018 in the place and on the date stated above, unless the shareholders are notified otherwise through the same newspaper in which this announcement is published, through the Company's website ([www.parquesreunidos.com](http://www.parquesreunidos.com)), and through the corresponding significant even submitted to the Spanish Securities Market Commission.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

All the information and documentation of the General Shareholders Meeting is also available to shareholders on the Company's website ([www.parquesreunidos.com](http://www.parquesreunidos.com)).

The personal data provided by the shareholders to the Company to exercise or delegate their right to attend and vote at the General Shareholders Meeting or the data provided for such purposes by the banks, broker-dealers and brokers where the shareholders have deposited or have in custody their shares or by the institution legally enabled to record the book entries, Iberclear, will be treated by the Company with the purpose of managing the unfolding of, compliance with and control of the existing shareholder relationship (in particular, but not limited to, that regarding the organisation, convening and holding of the General Shareholders Meeting). For such purposes, the data will be included in the files under the responsibility of Parques Reunidos Servicios Centrales, S.A. The data can be notified to the notary who attends the General Shareholders Meeting and to third parties with the acknowledged right to receive the information envisaged in the law, or accessible to the public insofar as such data are included in the documentation available on the Company's website or are stated at the General Shareholders Meeting, which can be recorded by audiovisual means and disseminated publicly on that website. By attending the General Shareholders Meeting, the attendee consents to that recording and dissemination.

The owner of the data will, in any case, and when this is legally applicable, have the right to access, rectify, challenge and cancel the data collected by Parques Reunidos Servicios Centrales, S.A. Such rights can be exercised, in accordance with the provisions of Constitutional Act 15/1999 of 13 December on Personal Data Protection, by writing to Parques Reunidos Servicios Centrales, S.A., Paseo de la Castellana, 216, 28046, Madrid, Spain.

In the event that the attendance card includes personal data referring to natural persons other than the holder, the shareholder must inform them of the content of the preceding paragraphs and meet any other requirements that are applicable for the correct assignment of the personal data to the Company without the Company undertaking any additional actions.

In Madrid, on 15 February 2018

The Secretary non-member to the Board of Directors





*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **PROPOSED RESOLUTIONS FOR THE 2018 ORDINARY GENERAL MEETING OF SHAREHOLDERS OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A.**

### **ITEM ONE ON THE AGENDA**

**Review and, where appropriate, approval of the individual annual accounts of the Company and the consolidated accounts including its subsidiaries, corresponding to the year ending 30 September 2017.**

Approve the individual annual accounts of Parques Reunidos Servicios Centrales, S.A. (balance sheet, profit and loss account, statement of changes in equity, cash flow statement and notes) and the consolidated accounts including its subsidiaries (balance sheet, profit and loss account, statement of changes in equity, cash flow statement and notes), corresponding to the financial year ended on 30 September 2017, as prepared by the Board of Directors at its meeting on 28 November 2017.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **ITEM TWO ON THE AGENDA**

**Review and, where appropriate, approval of the Company's individual management reports and the consolidated report including its subsidiaries, corresponding to the year ended 30 September 2017.**

Approve the individual management report of Parques Reunidos Servicios Centrales, S.A. and the consolidated report including the Company's subsidiaries corresponding to the financial year ended on 30 September 2017, as prepared by the Board of Directors at its meeting on 28 November 2017.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

### **ITEM THREE ON THE AGENDA**

**Review and, where appropriate, approval of the management and activity of the Board of Directors in the year ended on 30 September 2017.**

Approve the management and activity carried out by the Board of Directors of Parques Reunidos Servicios Centrales, S.A. in the financial year ended on 30 September 2017.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

#### **ITEM FOUR ON THE AGENDA**

**Re-election, where appropriate, of KPMG Auditores, S.L. as auditor of the Company's accounts and of its consolidated group for the financial year ended on 30 September 2018.**

Re-elect the company KPMG Auditores, S.L. as auditor of the accounts of Parques Reunidos Servicios Centrales S.A. and of its consolidated group for the year ended on 30 September 2018, authorising the Board of Directors, with express power of substitution, to enter into the corresponding service contract, with the clauses and conditions it deems appropriate, also granting it the power to make any relevant changes in it in accordance with current law at any time.

This resolution is adopted at the proposal of the Board of Directors, with the prior proposal, in turn, of the Audit and Control Committee.

KPMG Auditores, S.L. may accept the appointment by any means valid in law.

KPMG Auditores, S.L. has its registered office at Paseo de la Castellana, 259 C, Torre Cristal, Madrid, 28046, Spain, and its tax identification number is B-78510153. It is registered on the Commercial Registry of in volume 11961, sheet M-188007, and in the Official Auditors Registry (ROAC) with number S0702.

## **ITEM FIVE ON THE AGENDA**

### **Review and, where appropriate, approval of the proposal to distribute the individual income corresponding to the year ended on 30 September 2017.**

Approve the proposal to distribute the net income of Parques Reunidos Servicios Centrales, S.A., including payment of the dividend, as formulated by the Board of Directors at its meeting held on 28 November 2017, and specified below:

Distribute a dividend against the net income for the year ended on 30 September 2017 in the gross amount of 0.2477 euros per share of Parques Reunidos Servicios Centrales, S.A that is eligible for payment and in circulation at the date on which the corresponding payment is made.

The dividend payment mentioned above is expected to take place on the second half of July. The distribution of the dividend will be made through Banco Santander, S.A., in accordance with the governing rules of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear). The Board of Directors will be granted authorisation, with express power of substitution, to set the specific date of the dividend payment and carry out any other actions that are necessary or convenient to ensure the distribution is carried out properly.

The distribution base and resulting distribution (in thousands of euros) is as follows:

#### **Distribution base**

Net Income for the year ended on 30 September 2017:.....	73,576.57
--	-----------

#### **Distribution**

To legal reserve:.....	0
To voluntary reserves (minimum amount applicable, depending on the number of shares that have the right to receive a dividend and that are in circulation at the date on which the corresponding payment is made):.....	53,576.57
To dividends (maximum amount to distribute corresponding to a fixed dividend of 0.2477 gross euros per share to all the 80,742,044 ordinary shares in circulation at this date):.....	20,000.00
<b>TOTAL</b> .....	<b>72,576.57</b>



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **ITEM SIX ON THE AGENDA**

### **Determination of the number of members of the Board of Directors.**

Pursuant to the provisions of articles 28.1 of the Bylaws and 7.1 of the Board of Directors Regulations of the Company, it is resolved to set the number of directors in ten.

## **ITEM SEVEN ON THE AGENDA**

### **Appointment, ratification and reelection of directors**

#### **7.1 Ratification of the appointment and reelection of Mr Colin Hall as director, with the category of proprietary director, for the statutory period of four years.**

Ratify Mr Colin Hall, of legal age, of American nationality, with passport of his nationality number [...] in force and Foreigners Identification Number [...] in force with domicile for these purposes at Paseo de la Castellana, 216, planta 16, 28046 Madrid, Spain, as director appointed by the co-option system to replace the director Mr Fedrick Arp, who presented his resignation on 25 April 2017, by virtue of the Board of Directors resolution agreed on the meeting hold on the aforementioned date and at the proposal of the Board of Directors, and with a favourable report from the Appointment and Remuneration Committee, reappoint him as director of the Company with the category of “proprietary director” effective as from the conclusion of the General Meeting of Shareholders.

The proposed reappointment is accompanied by a supporting report from the Board, evaluating the competence, experience and merits of Mr Colin Hall, as well as the report from the Appointments and Remuneration Committee mentioned above. These reports have been made available to the shareholders as from the publication of the notice of the General Meeting of Shareholders.

Mr Colin Hall may accept his appointment by any means valid in law.

#### **7.2 Ratification of the appointment and reelection of Ms Ana Bolado Valle as director, with the category of independent director, for the statutory period of four years.**

Ratify the resolution adopted by the Board of Directors at its meeting held on 28 November 2017 by virtue of which it designated Ms Ana Bolado Valle, of legal age, of Spanish nationality with Spanish Id. number [...] in force and with domicile for these purposes at Paseo de la Castellana, 216, planta 16, 28046 Madrid, Spain, as independent director by the co-option system; and based on the proposal of the Appointments and Remuneration Committee, re-elect her as director of the Company with the category of “independent director”.

The proposed re-election is accompanied by a supporting report from the Board, evaluating the competence, experience and merits of Ms. Ana Bolado Valle. This report and the mentioned

proposal have been made available to the shareholders as from the publication of the notice of the General Meeting of Shareholders.

Ms. Ana Bolado Valle may accept her appointment by any means valid in law.

**7.3 Appointment of Mr Mario Armero Montes as director, with the category of proprietary director, for the statutory period of four years.**

At the proposal of the Board of Directors, and with a favourable report from the Appointments and Remuneration Committee, appoint Mr Mario Armero Montes, of legal age, of Spanish nationality, with Spanish Id. number [...] in force and with domicile for these purposes at Paseo de la Castellana, 216, 28046 Madrid, Spain, as director of the Company with the category of “proprietary director”.

The proposed appointment is accompanied by a supporting report from the Board, assessing the competence, experience and merits of Mr Mario Armero Montes, as well as the report from the Appointments and Remuneration Committee mentioned above. These reports have been made available to the shareholders since the publication of the notice calling the General Meeting.

Mr Mario Armero Montes may accept his appointment by any means valid in law.

**7.4 Appointment of Mr Carlos Ortega Arias-Paz as director, with the category of proprietary director, for the statutory period of four years.**

At the proposal of the Board of Directors, and with a favourable report from the Appointments and Remuneration Committee, appoint Mr Carlos Ortega Arias-Paz, of legal age, of Spanish nationality, with Spanish Id. number [...] in force and with domicile for these purposes at Paseo de la Castellana, 216, 28046 Madrid, Spain, as director of the Company with the category of “proprietary director”.

The proposed appointment is accompanied by a supporting report from the Board, assessing the competence, experience and merits of Mr Carlos Ortega Arias-Paz, as well as the report from the Appointments and Remuneration Committee mentioned above. These reports have been made available to the shareholders since the publication of the notice calling the General Meeting.

Mr Carlos Ortega Arias-Paz may accept his appointment by any means valid in law.



## **7.5 Appointment of Ms Jackie Kernaghan as director, with the category of independent director, for the statutory period of four years.**

Appoint Ms Jackie Kernaghan, of legal age, of British nationality with passport of her nationality number [...] in force and Foreigners Identification Number [...] in force and with domicile for these purposes at Paseo de la Castellana, 216, planta 16, 28046 Madrid, Spain, as director of the Company with the category of independent director, for the statutory period of four years from the date of this General Shareholders Meeting, based on the proposal of the Appointments and Remuneration Committee.

The proposed appointment is accompanied by a supporting report from the Board, evaluating the competence, experience and merits of Ms Jackie Kernaghan. This report and the mentioned proposal have been made available to the shareholders as from the publication of the notice of the General Meeting of Shareholders.

Ms Jackie Kernaghan may accept her appointment by any means valid in law.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **ITEM EIGHT ON THE AGENDA**

**Approval, where appropriate of the amendment to the directors remuneration policy, applicable to the financial years 2017, 2018 and 2019.**

Approve, in accordance with the provisions of Article 529 novodecies of the Spanish Companies Act, and in concordance with the motivated proposal issued by the Board of Directors, accompanied by the mandatory report issued by the Appointments and Remuneration Committee, the amendment of the remuneration policy of the members of the Board of Directors of the Company, applicable for the fiscal years 2017, 2018 and 2019, regarding certain amendments in connection with the fixed remuneration of the directors in their capacity as such and the variable remuneration of the executive director.

It is hereby stated that the aforementioned amendment includes a remuneration system that implies the delivery of stock options on shares in the Company, which is also being submitted for the approval of the General Shareholders Meeting under the following item Nine.

Likewise, due to this amendment, the consolidated text of the Remuneration Policy of the Directors of the Company is hereby approved, which text was made available to all shareholders as from the announcement of General Shareholders Meeting's call.

## ITEM NINE ON THE AGENDA

### **Approval, where appropriate, of the grant of stock options to the Chief Executive Officer for the purposes of the new Long Term Incentive Plan (LTIP II) of the Company.**

Approve, pursuant to article 219 of the Spanish Companies Act, as well as article 30.6 of the Bylaws of the Company, the implementation of a new Long-Term Incentive Plan for the benefit of the Chief Executive Officer (the “**New LTIP**”), which will be paid through the granting of stock options on Company’s shares, and which has been approved by the Board of Directors of the Company, after the proposal of the Appointments and Remunerations Commission, pursuant to the following terms and conditions:

- (i) Beneficiaries: The Chief Executive Officer of the Company.
- (ii) Maximum number of options granted: The Chief Executive Officer is entitled to receive 571,625 options within the New LTIP.
- (iii) Exercise price: The exercise price of the stock options handed over within the framework of the new LTIP will be the greater of the following values: (i) the price of the Company shares on the date of the IPO, which is 15.50 euros per share; or (ii) the price of the Company shares on the Concession Date (“**Exercise Price**”).
- (iv) Settlement procedure and reference value: Each stock option will give the right to receive the increased value of an equivalent number of shares in Parques Reunidos, taking as reference the quoted market price of the shares in Parques Reunidos at the exercise date of the options (“**Reference Value**”).

The options will be settled in shares in Parques Reunidos. In accordance with the liquidation mechanism of the New LTIP, the number of shares to be granted will be determined by dividing: (i) the return obtained at the exercise of options, equivalent to the positive difference between the Reference Value and the Exercise Price (intrinsic value), by (ii) the Reference Value.

- (v) Term of the New LTIP: The handing over of the said stock options within the framework of the New LTIP will take place with effects 1 January 2018 (“**Concession Date**”). After three years have elapsed from 1 January 2018 (“**Consolidation Period**”), the stock

options may be exercised during a period of four years ("**Exercise Period**"), which is during the years 2021 to 2024.

- (vi) Loss of the stock options: In the event that the Chief Executive Officer ceases as director of the Company before the ending of the Consolidation Period, either by reason of his resignation (except for fair reason) or termination, the Chief Executive Officer shall lost the right to exercise the stock options received, unless such termination takes place as a consequence of the unilateral termination by the Company of the service provision contract with the executive director for reasons other than those which would have justified a disciplinary dismissal (in case the executive directors relation had been an employment relation).
- (vii) Characteristics of the new shares: The shares deriving from the settlement, where appropriate, of the New LTIP shall be delivered to the beneficiary through a book-entry or the applicable trading procedure, where appropriate, in his corresponding securities account.

The shares received through this New LTIP shall be fully paid in, admitted to trading, free of any charges or liens, and their holders shall not remain subject to any limitations or restrictions not applicable to the generality of the shareholders of the Company, either by a contractual provisions, or one of statutory or legal nature.

Such shares shall be of the same class and series as those currently outstanding.

- (viii) Delegation of authority: It is resolved to delegate to the Board of Directors of the Company, with express powers to sub delegate, such powers as may be necessary to implement, develop, execute and pay the New LTIP, taking whatever resolutions and signing whatever public or private documents which may be necessary or appropriate for its full effectiveness, including, but not limited to, the following powers:
  - (a) Amend, rectify, modify or complement this resolution.
  - (b) Set the terms and conditions of the New LTIP with respect to the points not covered in this resolution.

- (c) Formalize and implement the New LTIP in the form which may deem convenient, carrying out all the actions necessary for the better implementation of the same and, in particular, to approve, where appropriate, the regulation of the New LTIP or any other document by means of which the granting of the New LTP is to be formalized.
- (d) Adjust the content of the New LTIP to the circumstances and corporate operations which may take place during the term of the same, in the terms and conditions which may be deemed necessary or appropriate at any given moment to preserve the purpose of the New LTIP.
- (e) Formulate and implement the New LTIP in the form which it may deem appropriate, taking whatever measures necessary or appropriate for its better implementation.
- (f) Draft, sign and submit any communication and document, either public or private, which it may deem necessary or appropriate by any public or private body for the implementation and execution of the New LTIP including relevant events before the CNMV and other bodies.
- (g) Carry out any action, perform any declaration or carry out any proceeding before any body, public entity, agency, registry or private entity, to obtain any authorization or verification necessary for the implementation and execution of the New LTIP.
- (h) Carry out the settlement of the New LTIP.
- (i) And, in general, carry out whatever action and sign whatever document which it may deem necessary or convenient for the validity, effectiveness, implementation, development and execution of the New LTIP.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **ITEM TEN ON THE AGENDA**

**Approval, where appropriate, of the maximum annual global remuneration of the directors in their capacity as such.**

The General Shareholders Meeting resolves to set, pursuant to the provisions of the Bylaws and for an indefinite term as long as the General Meeting does not agree otherwise, the maximum amount of annual remuneration of the Board members in their capacity as directors up to an amount of 1,100,000 euros, for the fixed annual allocation, assistance allowance, remuneration in shares or linked to their performance. It is hereby stated that such amount constitutes a maximum amount which is set pursuant to the Company's Remuneration Policy.

For the avoidance of doubt, it is expressly stated that such amount does not include the remuneration for the fixed salary and variable remuneration, or for other concept, corresponding to the executive directors, pursuant to the Bylaws of the Company.

The distribution of the same between the diverse directors shall be determined by resolution of the Board of Directors' resolution, taking into consideration the provisions of the Remuneration Policy, the roles and responsibilities attributed to each director, the membership of the Board's commissions and other objective circumstances which may deem appropriate.

## **ITEM ELEVEN ON THE AGENDA**

**Approval, where appropriate, of the amendment of the following articles of the Articles of Association: article 4 (Term of Company, commencement of operations and financial year); article 18 (Entitlement to attend); article 41 (Preparation and verification of the annual accounts); and introduction of a transitory provision.**

The General Meeting, after the favorable report of the Board of Directors, resolves to amend the following articles of the Bylaws: article 4 (Term of Company, commencement of operations and financial year); article 18 (Entitlement to attend); article 41 (Preparation and verification of the annual accounts) and introduction of a transitory provision.

The amendment to the Bylaws are aimed at (i) improving comparison of the financial statements of the Company and optimizing the management of certain obligations of the Company; and (ii) incorporating certain provisions in line with the market practice of a significant number of listed companies in Spain which will serve to facilitate and optimize the organization and development of the General Shareholders Meetings.

The aforesaid articles of the Bylaws shall be voted in conformity with the following groups of articles:

### **11.1 Amendments regarding the financial year**

***“Article 4.- Term of Company, commencement of operations and financial year***

- 1. The Company will have an indefinite term.*
- 2. The Company commenced operations on the date of execution of the deed of establishment, i.e., 23 November 2006.*
- 3. The financial year will commence on 1 January and end on 31 December of each year.”*

***“Article 41.- Preparation and verification of the annual accounts***

- 1. The financial year will begin on 1 January and end on 31 December of each year.*
- 2. Within three months from the end of the financial year, the Board of Directors, in accordance with the structure, principles and guidelines contained in the applicable regulations, will prepare and sign the annual accounts, the management report and the*

*proposal for application of results and, if applicable, the consolidated annual accounts and management report. The annual accounts and the management report must be signed by all of the directors. If the signature of any director is missing, this fact will be indicated on each of the documents from which it is missing, with an express statement of the reason.*

- 3. The annual accounts and the management report will be reviewed by the statutory auditors on the terms provided by law.”*

**“Transitional provision**

*As an exception to the provision set out in articles 4.3 and 41.1 of the Bylaws, the financial year beginning on 1 October 2017 shall end on 30 September 2018. Likewise, a financial year with an irregular term is established, which shall commence on 1 October 2018 and end on 31 December 2018.”*

**11.2 Amendments regarding the right to attend the General Shareholders Meeting**

**“Article 18.- Entitlement to attend**

- 1. The holders of 300 or more shares will be entitled to attend the General Meetings, both ordinary and extraordinary meetings. The holders of lower numbers of shares may grant a proxy to another person with the right to attend, or pool together with other shareholders who are in the same situation, until they reach at least that number, appointing a representative from amongst themselves. The group must be formed specifically for each general meeting of shareholders and be recorded in writing.*
- 2. In addition to the provisions of the preceding paragraph, in order to attend the General Meeting it will be required that the shareholder have registered ownership of the shares in the corresponding book entry records, five calendar days in advance of the date the Meeting is to be held, and be in possession of the corresponding attendance card or document that, in accordance with law, evidences the shareholder's status as such, which will indicate the number, class and series of shares owned by the shareholder, as well as the number of votes it can cast.”*



## ITEM TWELVE ON THE AGENDA

### **Approval, where appropriate, of the amendments to the Regulation of the General Shareholders Meeting to adapt its content to the latest amendments to the Articles of Association.**

The General meeting, after the favorable report of the Board of Directors, resolves to amend the article 11 of the Regulations of the General Shareholders Meeting. The aforesaid amendment aims to adapt the content of the Regulations of the General Meeting to the amendments of the Bylaws regarding the right to attend the General Meeting of the Company, submitted for the approval of this General meeting under item Eleventh above.

The General Meeting approves the amendment and, therefore, the article shall read as follows:

#### *“Article 11. Right to attend*

- 1. The holders of 300 or more shares will be entitled to attend the General Meetings, both ordinary and extraordinary meetings. The holders of lower numbers of shares may grant a proxy to another person with the right to attend, or pool together with other shareholders who are in the same situation, until they reach at least that number, appointing a representative from amongst themselves. The group must be formed specifically for each general meeting of shareholders and be recorded in writing.*

*In addition to the provisions of the preceding paragraph, in order to attend the General Meeting it will be required that the shareholder have registered ownership of the shares in the corresponding book entry records, five calendar days in advance of the date the Meeting is to be held, and be in possession of the corresponding attendance card or document that, in accordance with law, evidences the shareholder's status as such, which will indicate the number, class and series of shares owned by the shareholder, as well as the number of votes it can cast*

- 2. Additionally, in order to attend the General Meeting of shareholders, shareholders must have the appropriate attendance card, a certificate issued by the appropriate registrar or a legal document certifying that they are shareholders.*



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

*The attendance cards shall be issued, at the Company's request, in the shareholder's name, either directly by the Company itself or by the registrars, and may be used by shareholders to appoint a proxy for the General Meeting of shareholders in question.*

*The Company may prescribe the format of the attendance card to be issued by the registrars in the shareholders' name, so as to ensure that the cards are uniform and include a barcode or other machine-readable code to facilitate the keeping of computer records of attendance, and also the formula to be used for proxy appointments.*

- 3. Shareholders who attend the General Meeting of shareholders in person or by proxy at the place and on the day of the meeting shall present their attendance card, as provided in these Regulations.*
- 4. Shareholders who wish to vote remotely shall prove their identity and shareholder status in the manner specified by the Board of Directors in the notice of meeting."*

### **ITEM THIRTEEN ON THE AGENDA**

#### **Delegation of powers to formalise and execute all the resolutions adopted by the General Shareholders Meeting, for their notarisation as a public document and their interpretation, correction, complementation, development and registration**

Without prejudice to the delegations included in previous resolutions, to grant joint and several powers to the Board of Directors, the Chairman, the Vice Chairman, the Chief Executive, the non-member Secretary of the Board of Directors and the non-member Vice Secretary of the Board of Directors; so that any of them, within all the scope necessary in law, may execute the resolutions adopted by this General Meeting of Shareholders. For this purpose, it may:

- (a) Develop, clarify, specify, interpret, execute, complement and correct them.
- (b) Carry out any acts or legal business that may be necessary or appropriate to execute the resolutions, issue any public or private documents considered necessary or convenient for their full effectiveness, as well as put right any omissions, faults or errors, of content or form, that prevent their access to the Companies Register, the Property Register, the Spanish Patent Office or, where appropriate, the territorial registers of associations and foundations of the regional governments that correspond to any of them, as well as, in particular, to carry out the necessary deposit of accounts in the Companies Register.
- (c) Delegate jointly or severally to one or more of its members all or some of the powers considered appropriate among those that correspond to the Board of Directors and that have been expressly attributed to them by this General Meeting of Shareholders.
- (d) Determine all the other circumstances that may be necessary, adopting and executing the resolutions necessary, publishing notices and issuing any guarantees that may be necessary for the purposes provided for by law, as well as executing the appropriate documents and fulfilling any procedures that are required, doing everything necessary by law for the full execution of what has been agreed by this General Meeting of Shareholders.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

#### **ITEM FOURTEEN ON THE AGENDA**

**Consultative vote on the annual report on the remuneration of directors for the financial year ended on the 30 September 2017.**

Give advisory approval to the Annual Report on the Remuneration of Board Members corresponding to the year ended on 30 September 2017, whose complete text was made available for shareholders together with the rest of the documentation relating to the General Meeting of Shareholders on the publication date of the announcement of the calling of the General Meeting of Shareholders.

**PROPOSAL AND REPORT BY THE BOARD OF DIRECTORS OF PARQUES  
REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE  
RATIFICATION AND RE-ELECTION AS PROPRIETARY DIRECTOR OF MR.  
COLIN HALL, INCLUDED ON ITEM 7.1 OF THE AGENDA OF THE GENERAL  
SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH AT THE FIRST  
CALL AND 22 MARCH 2018 AT THE SECOND CALL**

**1. INTRODUCTION**

This report has been prepared by the Board of Directors of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”), in accordance with the provisions of paragraph 5 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to provide grounds for the proposal to be submitted for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.1 of the agenda.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who do not have the category of independent directors (as in this case) corresponds to the Board of Directors. This proposal must be accompanied by an explanatory report by the Board of Directors assessing the competence, experience and merits of the proposed candidate, based on a report by the Appointments and Remuneration Committee, in accordance with paragraph 6 of article 529 *decies* of the Spanish Companies Act.

This report aims (i) to justify the proposal to the General Meeting of Shareholders to ratify and re-elect Mr. Colin Hall as director of the Company, with the category of “proprietary director”; and (ii) to assess the competence, experience and merits of the proposed candidate, based on the said prior report from the Company’s Appointments and Remuneration Committee.

The report by the Appointments and Remuneration Committee is attached as an Appendix to this report.

For the purpose of article 518.e) of the Spanish Companies Act, this report contains full information on the identity, CV and category to which the proposed candidate belongs.

Based on this, the Board of Directors of the Company issues this proposal and report on the ratification and re-election of Mr. Colin Hall as a proprietary director of the Company, which has been approved by the members of the Board at their meeting on 7 February 2018.

## **2. JUSTIFICATION OF THE PROPOSAL**

### **2.1 Professional and personal background**

Mr. Colin Hall holds a BA from Amherst College and an MBA from the Stanford University Graduate School of Business.

Mr. Hall is the Head of Investments at GBL, one of the largest shareholders in Parques Reunidos. He began his career in 1995 in the merchant banking group of Morgan Stanley. In 1997, he joined Rhône Group, a private equity firm, where he held various management positions for 10 years in New York and London. In 2009, he was the cofounder of a hedge fund, sponsored by Tiger Management (New York), where he worked until 2011. In 2012 he joined, as CEO, Sienna Capital, a 100% subsidiary of GBL, which regroups its alternative investments (private equity, debt or specific thematic funds). In 2016, he was appointed Head of Investments at GBL. Mr. Hall also serves as a Director of Imerys and Umicore.

To sum up, in the opinion of this Board of Directors, the candidate is a person with renowned prestige and professional competence who meets the requirements of renowned honourability, suitability, professional ability, competence, experience, qualifications, education, availability and commitment that are inherent and necessary to continue as Company director, as established by the Company's Directors Selection Policy.

### **2.2 Report by the Appointments and Remuneration Committee and evaluation of the candidate**

On early 2017, the Board of Directors in view of the following:

- (i) the number of Board members, which was fixed at 7 directors, by the sole shareholder in that moment;

- (ii) the reduction in the Company's share capital percentage held by Arle Capital Partners Limited from 26.764% to 8.667% (as communicated to the Spanish National Securities Markets Commission on 20 April 2017);
- (iii) the resignations tendered, according to article 21.2(v) of the Board of Directors Regulations, by Mr. Fredrik Arp and Mr. Javier Abad Marturet —proprietary directors representing Arle Capital Partners Limited— as a members of the Board through the corresponding letters sent to all Board members explaining the reasons for the resignation; and
- (iv) the acquisition by Groupe Bruxelles Lambert (GBL) of shares in the Company to increase its total holding to 15.157% of the share capital.

began the corresponding process to evaluate the appointment of two Board members to fill the vacancies derived from the resignations of Mr. Fredrik Arp and Mr. Javier Abad Marturet, considering the shareholding structure of the Company. One of those vacancies was filled by Mr. Colin Hall, as proprietary director representing Groupe Bruxelles Lambert (GBL).

In this regard, the Appointments and Remuneration Committee issued the required prior report with a favourable opinion on the proposed designation of Mr. Colin Hall as proprietary director of the Company, in view of, among other factors:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to his appointment as proprietary director of the Company;
- (ii) his potential contributions as proprietary director, giving his point of view and knowledge of the market, and in particular, as an expert and representative of an institutional investor;
- (iii) his highly qualified professional profile that is appropriate for performing the duties of proprietary director, and his demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and

- (iv) the needs of the Board of Directors with respect to the members who made it up at that time.

All the above made clear that his designation as proprietary director of the Company would provide significant advantages to this management body, and thus, the Committee proposed him as proprietary director of the Company by means of the co-option system, which has been approved by the members of the Board at their meeting on 25 April 2017.

Moreover, the Appointments and Remuneration Committee considers that Mr. Colin Hall has exercise his duties as director with the loyalty of a faithful representative, acting in good faith, in the best interest of the Company, responsible and, with freedom and independence of judgement. Furthermore, the Appointments and Remuneration Committee has considered that Mr. Colin Hall has devote the necessary time to carry out his tasks effectively and is sufficient available for the proper development of his functions.

The Board accepts the report from the Appointments and Remuneration Committee, considering that the professional profile of Mr. Colin Hall, his track record and international prestige evidence that he meets the appropriate competence, experience and merits requirements to serve the position of director of the Company.

It is hereby stated that Mr. Hall refrain from deliberating and voting in relation to both reports of the Appointments and Remuneration Committee and the Board of Directors.

### **2.3 Justification**

Within the framework of the above, and in accordance with the provisions of the Directors Selection Policy, the Board of Directors considers that for a Company director to carry out his duties of supervision and control and the rest of the duties inherent to his position well, he must properly combine the following:

- (i) accredited competence and experience;
- (ii) expertise in, among others, the investments areas in which the Company engages in its business;
- (iii) possibility of dedication and involvement in the Company's business; and



- (iv) knowledge that is additional and supplementary to that inherent to the Company's activity.

The track record and CV of Mr. Colin Hall accredits his competence and merits to serve in the position of director. His extensive experience and profound knowledge guarantee appropriate continuity in the management of the Company's interests. Because of the above, as well as the reasons given by the Appointments and Remuneration Committee for this designation (which this body accepts) the Board of Directors considers the ratification and re-election of Mr. Colin Hall as Company director justified and convenient. The Board is convinced that he will contribute continuity to the management of the Company and the group.

#### **2.4 Category**

Mr. Colin Hall represents Groupe Bruxelles Lambert (GBL), a significant shareholder of the Company, on the Board of Directors. In accordance with applicable law, the candidate therefore has the category of "proprietary director" of the Company.

#### **2.5 Conclusions of the Board of Directors**

Given the above, the Board of Directors considers the appointment justified and proposes that Mr. Colin Hall be ratified and re-elected director, with the category of proprietary director. The Board of Directors proposes his ratification and re-election to the General Shareholders Meeting to be held on 21 or 22 March 2018 at the first or second call, respectively, under item 7.1 of the agenda.

### **3. PROPOSED RESOLUTION**

The proposed resolution submitted for the approval of the General Shareholders Meeting reads as follows:

#### ***"ITEM 7.1 ON THE AGENDA***

**Ratification and re-election of Mr. Colin Hall as director, with the category of proprietary director, for the statutory period of four years.**

*Ratify the resolution adopted by the Board of Directors at its meeting held on 25 April 2017 by virtue of which it designated Mr. Colin Hall, of legal age, of American nationality, with*



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

*passport [...] in force of its nationality and Spanish foreigners Id number [...] and with domicile for these purposes at Avenue Marnix 24 – 1000 Bruselas, Bélgica, as proprietary director by the co-option system; and, with a favourable report from the Appointment and Remuneration Committee, re-elect him as director of the Company with the category of “proprietary director”.*

*The proposed re-election is accompanied by a supporting report from the Board, evaluating the competence, experience and merits of Mr. Colin Hall, as well as the report from the Appointments and Remuneration Committee mentioned above. These reports have been made available to the shareholders as from the publication of the notice of the General Meeting of Shareholders.*

*Mr. Colin Hall may accept his appointment by any means valid in law.”*

Madrid, 7 February 2018.

## ANNEX

### **REPORT PREPARED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE RATIFICATION AND REAPPOINTMENT AS PROPRIETARY DIRECTOR OF Mr COLIN HALL, INCLUDED ON ITEM 7.1 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH AT THE FIRST CALL AND 22 MARCH 2018 AT THE SECOND CALL**

#### **1. INTRODUCTION**

The Board of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”) is considering the proposal for ratification and reappointment de Mr Colin Hall as director of the Company.

In accordance with the provisions of paragraph 6 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*) approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”), the proposal for the appointment or reappointment of any non-independent director (which is the case) must be backed, in addition, by a report from the Appointments and Remuneration Committee.

The present report complies with this legal obligation.

#### **2. PURPOSE OF THE REPORT**

The report is prepared with the aim of complying with the provisions of paragraph 6 of article 529 *decies* of the Spanish Companies Act.

#### **3. ASPECTS CONSIDERED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE**

On early 2017, the Board of Directors in view of the following:

- (i) the number of Board members, which was fixed at 7 directors, by the sole shareholder in that moment;
- (ii) the reduction in the Company’s share capital percentage held by Arle Capital Partners Limited from 26.764% to 8.667% (as communicated to the Spanish National Securities Markets Commission on 20 April 2017);

- (iii) the resignations tendered, according to article 21.2(v) of the Board of Directors Regulations, by Mr Fredrik Arp and Mr Javier Abad Marturet —proprietary directors representing Arle Capital Partners Limited— as a members of the Board through the corresponding letters sent to all Board members explaining the reasons for the resignation; and
- (iv) the acquisition by Groupe Bruxelles Lambert (GBL) of shares in the Company to increase its total holding to 15.157% of the share capital.

began the corresponding process to evaluate the appointment of two Board members to fill the vacancies derived from the resignations of Mr Fredrik Arp and Mr Javier Abad Marturet, considering the shareholding structure of the Company. One of those vacancies was filled by Mr Colin Hall, as proprietary director representing Groupe Bruxelles Lambert (GBL).

Back on that time, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the foregoing, and considering that the number of Board members was been fixed at 7 —holding GBL a share capital percentage exceeding what would be needed to exercise the proportional representation right—, this Committee concluded that, a proprietary director had to be appointed by means of the co-option (*cooptación*). The mentioned appointment was carried out on the meeting of the Board of Directors of 25 April 2017.

In this regard, this Committee has taken into consideration:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to his appointment as proprietary director of the Company;
- (ii) his potential contributions as proprietary director, giving his point of view and knowledge of the market, and in particular, as an expert and representative of an institutional investor;
- (iii) his highly qualified professional profile that is appropriate for performing the duties of proprietary director, and his demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and

- (iv) the needs of the Board of Directors with respect to the members who made it up at that time.

Moreover, the Appointments and Remuneration Committee deems the designation of Mr Colin Hall appropriated considering (i) the shareholding structure of the Company (ii) the prospective quantitative composition of the Board of Directors after the General Meeting of Shareholder and (iii) the performance of Mr Colin Hall. In this regard, the Committee considers that the current circumstances justify the ratification and reappointment of Mr Colin Hall. Moreover, the Appointments and Remuneration Committee considers that Mr Colin Hall has exercise its duties as director with the loyalty if a faithful representative, acting in good faith, in the best interest of the Company and responsible and with freedom and independence of judgement. Furthermore, the Appointments and Remuneration Committee has considered that Mr Colin Hall has devote the necessary time to carry out his tasks effectively and is sufficient available for the proper development of his functions.

Therefore, the Committee deems that his professional profile of Mr Colin Hall, career and international recognition prove that he counts with the required skills, expertise, merits to carry out his tasks as director of the Company.

According to the Director's Selection Policy the Appointments and Remuneration Committee has verified, to the extent possible, that there are no incompatibilities, prohibitions or conflicts of interest involved, as established by the law or as provided in the system of corporate governance; and that the procedures for selecting Board members has not involved any implicit bias that may imply any form of discrimination and, in particular, that they do not obstruct the selection of female directors

#### **4. CONCLUSIONS OF THE APPOINTMENTS AND REMUNERATION COMMITTEE.**

In light of the above, the Appointments and Remuneration Committee considers the appointment of Mr Colin Hall justified and issues a favourable report on his ratification and reappointment as director of the Company, supporting the proposal of the Board of Directors.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

**5. CATEGORY OF DIRECTOR TO WHICH HE BELONGS OR MUST BE ASSIGNED**

Mr Colin Hall will represent Groupe Bruxelles Lambert (GBL), a significant shareholder of the Company, on the Board of Directors. In accordance with applicable law, the candidate will therefore have the category of “proprietary director” of the Company.

Madrid, 7 February 2018.

**REPORT BY THE BOARD OF DIRECTORS OF PARQUES REUNIDOS  
SERVICIOS CENTRALES, S.A. IN RELATION TO THE RATIFICATION AND  
RE-ELECTION) AS INDEPENDENT DIRECTOR OF MS ANA BOLADO VALLE,  
INCLUDED ON ITEM 7.2 OF THE AGENDA OF THE GENERAL  
SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH AT THE FIRST  
CALL AND 22 MARCH 2018 AT THE SECOND CALL**

**1. INTRODUCTION**

The Appointments and Remuneration Committee of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”) has proposed the General Meeting of Shareholders the ratification and re-election of Ms Ana Bolado Valle as director of the Company.

This report has been prepared by the Board of Directors of the Company, in accordance with the provisions of paragraph 5 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to provide grounds for the proposal to be submitted for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.2 of the agenda.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who have the category of independent directors (as in this case) corresponds to the Appointments and Remuneration Committee. This proposal must be accompanied by an explanatory report by the Board of Directors assessing the competence, experience and merits of the proposed candidate.

This report aims (i) to justify the proposal of the Appointments and Remuneration Committee to the General Meeting of Shareholders to ratify and re-elect Ms Ana Bolado Valle as director of the Company, with the category of “independent director”; and (ii) to assess the competence, experience and merits of the proposed candidate.

The proposal of the Appointments and Remuneration Committee is attached as an Appendix to this report.

For the purpose of article 518.e) of the Spanish Companies Act, this report contains full information on the identity, CV and category to which the proposed candidate belongs.

Consequently, the Board of Directors of the Company issues this report on the designation of Ms Ana Bolado Valle as independent director of the Company, which has been approved by the members of the Board at their meeting on 7 February 2018.

## **2. JUSTIFICATION OF THE REPORT**

### **2.1 Professional and personal background**

Ms Ana Bolado Valle has a degree in pharmacy by the *Universidad Complutense de Madrid* and an MBA at IE Business School.

Ms Ana Bolado Valle has over 31 years of management experience in an international environment within the Santander Group. Within the Santander Group, Ms Bolado has been Corporate Director of Digital Strategy and Business in Santander Universidades, where she was responsible for, among others, designing and implementing new digital models and negotiating global agreements with relevant digital companies. From 2013 to 2015, Ms Bolado was Corporate Director T&O for Santander Universidades. From 2010 to 2013, she was the Director for Commercial Strategy and Business Development in Commercial Banking in Spain, where she also was a member of the Management Committee of Banco Santander España and a member of the Board of Directors of Sistemas 4B and Santander Seguros, among other duties. Between 2005 and 2010, she worked as Corporate Director of Human Resources at Santander Group and, between 2003 and 2005, as Managing Director of Santander Global Banking and Markets, where she participated in the design of the new global corporate client management model. Previously, Ms Bolado work in different areas related to financial products, investment banking and capital markets.

Additionally, Ms Ana Bolado Valle has been a member of the board of directors of Sistema 4B, S.A., Santander Seguros y Reaseguros Compañía Aseguradora, S.A., Santander de Titulización – Sociedad Gestora de Fondos de Titulización, S.A. Among others, she is part of the *Instituto de Consejeros-Administradores* and is a jury member of the YUZZ Entrepreneurship Awards for women entrepreneurs. Ms Ana Bolado Valle received the



UNICEF ESPAÑA Gold Medal for the implementation of Perpetual Bond within the financial community.

## **2.2 Report by the Appointments and Remuneration Committee and evaluation of the candidate**

On late 2017, the Appointments and Remuneration Committee in view of the following:

- (i) the number of Board members, which was fixed at seven directors, by the sole shareholder in that moment;
- (ii) the shareholding structure of the Company;
- (iii) the resignations tendered by Mr. Fredrik Arp and Mr. Javier Abad Marturet through the corresponding letters sent to all Board members explaining the reasons for the resignation; and
- (iv) the quantitative and qualitative composition of the Board of Directors, in which, at that time, there was a vacancy;

analyzed the current structure and composition of the Board, as well as the knowledge, competencies, experience and needs of the member of the Board.

During this process, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the foregoing, the Committee concluded that, in light of the current shareholder structure of the Company and the number of the directors — currently established at seven by the then sole shareholder of the Company—, that an independent director must be appointed.

In this regard, the Appointments and Remuneration Committee took into account on its proposal of designation by means of the co-option system:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to her appointment as independent director of the Company;
- (ii) her potential contributions as independent director, giving her point of view and knowledge of the market;

- (iii) her highly qualified professional profile that is appropriate for performing the duties of independent director, and her demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and
- (iv) the needs of the Board of Directors with respect to the members who make it up.

All the above made clear that her designation as independent director of the Company would provide significant advantages to this management body, and thus, the Committee proposed her as independent director of the Company by means of the co-option system, which has been approved by the members of the Board at their meeting on 28 November 2017.

Moreover, the Appointments and Remuneration Committee deems that, considering her profile and professional career, Ms Ana Bolado Valle will exercise her duties as director with the loyalty of a faithful representative, acting in good faith, in the best interest of the Company, responsible, and with freedom and independence of judgement, as shown by her professional track record. Furthermore, the Appointments and Remuneration Committee considers that Ms Ana Bolado Valle will devote the necessary time to carry out her tasks effectively and is sufficient available for the proper development of her functions.

Furthermore, this designation contributes to reach the 2020 target on number of female directors of at least 30% of the total Board members in line with the Directors' Selection Policy.

### **2.3 Justification**

Within the framework of the above, and in accordance with the provisions of the Directors Selection Policy, the Board of Directors considers that the track record and CV of Ms Ana Bolado Valle accredits her competence and merits to continue serving as director. Her extensive experience and knowledge guarantee appropriate continuity in the management of the interests of the Company. Additionally, having her as member of the Board of Directors is in line with the policy and commitment of the Company with a diverse structure of the Board of Directors.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **2.4 Category**

Ms Ana Bolado Valle will not represent any shareholder on the Board of Directors nor will exercise executive tasks. In accordance with applicable law, the candidate will therefore have the category of independent director of the Company.

## **2.5 Conclusions of the Board of Directors**

In light of the above, the Board of Directors considers the appointment of Ms Ana Bolado Valle justified and issues a favorable report on her appointment as director of the Company on the understanding that she will support the continuity in the management of the Company and its group supporting the proposal of the Appointments and Remuneration Committee.

Madrid, 7 February 2018.

## ANNEX

### **PROPOSAL PREPARED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE RATIFICATION AND RE-ELECTION AS INDEPENDENT DIRECTOR OF MS ANA BOLADO VALLE, INCLUDED ON ITEM 7.2 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH AT THE FIRST CALL AND 22 MARCH 2018 AT THE SECOND CALL**

#### **1. INTRODUCTION**

This proposal from the Appointments and Remuneration Committee of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”) in accordance with the provisions of paragraph 4 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*) approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to propose for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.2 of the agenda.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who do not have the category of independent directors (as in this case) corresponds to the Board of Directors.

Purpose of the Proposal

#### **2. PURPOSE OF THE PROPOSAL**

The proposal is prepared with the aim of complying with the provisions of paragraph 4 of article 529 *decies* of the Spanish Companies Act.

#### **3. ASPECTS CONSIDERED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE**

On late 2017, the Appointments and Remuneration Committee in view of the following:

- (i) the number of Board members, which was fixed at seven directors, by the sole shareholder in that moment;
- (ii) the shareholding structure of the Company;

(iii) the resignations tendered by Mr. Fredrik Arp and Mr. Javier Abad Marturet through the corresponding letters sent to all Board members explaining the reasons for the resignation; and

(iv) the quantitative and qualitative composition of the Board of Directors, in which, at that time, there was a vacancy;

analyzed the current structure and composition of the Board, as well as the knowledge, competencies, experience and needs of the member of the Board.

In this context, the Appointments and Remunerations Committee evaluated the professional and biographical profile of the candidate:

Ms Ana Bolado Valle has over 31 years of management experience in an international environment within the Santander Group. Within the Santander Group, Ms Bolado has been Corporate Director of Digital Strategy and Business in Santander Universidades, where she was responsible for, among others, designing and implementing new digital models and negotiating global agreements with relevant digital companies. From 2013 to 2015, Ms Bolado was Corporate Director T&O for Santander Universidades. From 2010 to 2013, she was the Director for Commercial Strategy and Business Development in Commercial Banking in Spain, where she also was a member of the Management Committee of Banco Santander España and a member of the Board of Directors of Sistemas 4B and Santander Seguros, among other duties. Between 2005 and 2010, she worked as Corporate Director of Human Resources at Santander Group and, between 2003 and 2005, as Managing Director of Santander Global Banking and Markets, where she participated in the design of the new global corporate client management model. Previously, Ms Bolado work in different areas related to financial products, investment banking and capital markets.

Ms Ana Bolado Valle has been a member of the board of directors of Sistema 4B, S.A., Santander Seguros y Reaseguros Compañía Aseguradora, S.A., Santander de Titulización – Sociedad Gestora de Fondos de Titulización, S.A. Among others, she is part of the *Instituto de Consejeros-Administradores* and is a jury member of the YUZZ Entrepreneurship Awards for women entrepreneurs. Ms Bolado received the UNICEF

ESPAÑA Gold Medal for the implementation of Perpetual Bond within the financial community.

Ms Ana Bolado Valle has a degree in pharmacy by the *Universidad Complutense de Madrid* and an MBA at IE Business School.

In the mentioned procedure, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the foregoing, and considering that the number of Board members was been fixed at seven, this Committee concluded that, a director had to be appointed.

In this regard, and in connection with the designation of the mentioned independent director, this Committee has taken into consideration:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to her appointment as independent director of the Company;
- (ii) her potential contributions as independent director, giving her point of view and knowledge of the market;
- (iii) her highly qualified professional profile that is appropriate for performing the duties of independent director, and her demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and
- (iv) the needs of the Board of Directors with respect to the members who make it up.

All the above made clear that her designation as independent director of the Company would provide significant advantages to this management body, and thus, the Committee proposed her as independent director of the Company by means of the co-option system, which has been approved by the members of the Board at their meeting on 28 November 2017.

Moreover, the Appointments and Remuneration Committee deems the designation of Ms Ana Bolado Valle appropriated considering (i) the shareholding structure of the Company (ii) the prospective quantitative composition of the Board of Directors after the General Meeting of Shareholder and (iii) the performance of Ms Ana Bolado Valle. In this regard, the Committee

considers that the current circumstances justify the ratification and re-election of Ms Ana Bolado Valle. Moreover, the Appointments and Remuneration Committee deems that, considering her profile and professional career, Ms Ana Bolado Valle is going to exercise her duties as director with the loyalty of a faithful representative, acting in good faith, in the best interest of the Company and responsible and with freedom and independence of judgement, as shown by her professional track record. Furthermore, the Appointments and Remuneration Committee has considered that Ms Ana Bolado Valle is going to devote the necessary time to carry out her tasks effectively and is sufficient available for the proper development of her functions. Given the above, the Appointments and Remuneration Committee considers to be appropriate the reappointment of Ms Ana Bolado Valle as director of the Company.

Therefore, the Committee deems that her professional profile, career and international recognition prove that she counts with the required skills, expertise, merits to carry out her tasks as director of the Company.

According to the Directors' Selection Policy the Appointments and Remuneration Committee has verified, to the extent possible, that there are no incompatibilities, prohibitions or conflicts of interest involved, as established by the law or as provided in the system of corporate governance; and that the procedures for selecting Board members has not involved any implicit bias that may imply any form of discrimination and, in particular, that they do not obstruct the selection of female directors

Furthermore, this designation contributes to reach the 2020 target on number of female directors of at least 30% of the total Board members in line with the Directors' Selection, Policy.

#### **4. CATEGORY OF DIRECTOR TO WHICH SHE BELONGS OR MUST BE ASSIGNED**

Ms Ana Bolado Valle will not represent any shareholder on the Board of Directors nor will exercise executive tasks. In accordance with applicable law, the candidate will therefore have the category of independent director of the Company.

## **5. CONCLUSIONS OF THE APPOINTMENTS AND REMUNERATION COMMITTEE.**

In light of the above, the Appointments and Remuneration Committee considers the appointment of Ms Ana Bolado Valle that he meets the appropriate competence, experience and merits requirements to serve the position of director of the Company under conditions established by Law and regulation, and consequently, submits for the approval of the General Meeting Of Shareholders the proposal of ratification and re-election of Ms Ana Bolado Valle as independent director of the Company.

## **6. PROPOSED RESOLUTION**

The proposed resolution submitted for the approval of the General Shareholders Meeting reads as follows:

### ***“ITEM 7.2 OF THE AGENDA***

**Ratification and re-election of Ms Ana Bolado Valle as director, with the category of independent director, for the statutory period of four years.**

*Ratify the resolution adopted by the Board of Directors at its meeting held on 28 November 2017 by virtue of which it designated Ms Ana Bolado Valle, of legal age, of Spanish nationality with National Identification Number [...] in force and with domicile for these purposes at Paseo de la Castellana, 216, planta 16, 28046 Madrid, Spain, as independent director by the co-option system; and based on the proposal of the Appointments and Remuneration Committee, re-elect her as director of the Company with the category of “independent director”.*

*The proposed re-election is accompanied by a supporting report from the Board, evaluating the competence, experience and merits of Ms Ana Bolado Valle. This report and the mentioned proposal have been made available to the shareholders as from the publication of the notice of the General Meeting of Shareholders.*

*Ms Ana Bolado Valle may accept her appointment by any means valid in law.”*

Madrid, 7 February 2018.



**PROPOSAL AND REPORT BY THE BOARD OF DIRECTORS OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE APPOINTMENT AS PROPRIETARY DIRECTOR OF MR MARIO ARMERO MONTES, INCLUDED ON ITEM 7.3 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH 2018 AT THE FIRST CALL AND 22 MARCH 2018 AT THE SECOND CALL**

**1. INTRODUCTION**

This report has been prepared by the Board of Directors of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”), in accordance with the provisions of paragraph 5 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to provide grounds for the proposal to be submitted for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.3 of the agenda.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who do not have the category of independent directors (as in this case) corresponds to the Board of Directors. This proposal must be accompanied by an explanatory report by the Board of Directors assessing the competence, experience and merits of the proposed candidate, based on a report by the Appointments and Remuneration Committee, in accordance with paragraph 6 of article 529 *decies* of the Spanish Companies Act.

This report aims (i) to justify the proposal to the General Meeting to appoint Mr. Mario Armero as director of the Company, with the category of “proprietary director”; and (ii) to assess the competence, experience and merits of the proposed candidate, based on the said prior report from the Company’s Appointments and Remuneration Committee.

The report by the Appointments and Remuneration Committee is attached as an Appendix to this report.

For the purpose of article 518.e) of the Spanish Companies Act, this report contains full information on the identity, CV and category to which the proposed candidate belongs.

Based on this, the Board of Directors of the Company issues this proposal and report on the appointment of Mr Mario Armero as a proprietary director of the Company, which has been approved by the members of the Board at their meeting on 7 February 2018.

## **2. JUSTIFICATION OF THE PROPOSAL**

### **2.1 Professional and personal background**

Mr Mario Armero holds a degree in Law from the Universidad Complutense de Madrid.

Mr Mario Armero is currently Executive Vice Chairman at ANFAC (Asociación Nacional de Fabricantes de Automóviles y Camiones). He is member of the Executive Committee of the CEOE (*Confederación Española de Organizaciones Empresariales*); Non-Executive Director at Gas Natural Fenosa and Benito Urban; Senior Advisor for Spain at international fund GIP (Global Infrastructure Partners); and member of the Advisory Committee at the private equity firm Ergon Capital Partners.

Mr Armero started his professional career at Armero Law firm and later joined AT&T Spain. From 1992 to 1999 he served as Secretary General at General Electric Plastics Spain. In September 1999 he was appointed Chairman of General Electric Plastics Spain, a position which he held until 2001, when he was appointed Chairman and CEO of General Electric Spain and Portugal, being the ultimate responsible for all of the Group's Divisions in Iberia. In March 2008, he left GE to join as CEO Corporación Llorente, a diversified family owned industrial group. Following that he joined Ezentis as Executive Chairman.

To sum up, in the opinion of this Board of Directors, the candidate is a person with renowned prestige and professional competence who meets the requirements of renowned honourability, suitability, professional ability, competence, experience, qualifications, education, availability and commitment that are inherent and necessary to continue as Company director, as established by the Company's Directors Selection Policy.

## **2.2 Report by the Appointments and Remuneration Committee and evaluation of the candidate**

The Board of Directors began the corresponding process to evaluate the appointment of Mr Mario Armero as a director of the Company (with the category of proprietary director representing the shareholder Groupe Bruxelles Lambert (“GBL”)) in view of the (i) shareholding structure of the Company, and (ii) the potential quantitative composition of the Board which may result following the holding of the ordinary General Shareholders Meeting.

In this regard, the Appointments and Remuneration Committee issued the required prior report with a favourable opinion on the proposed appointment of Mr Mario Armero as proprietary director of the Company, in view of, among other factors:

- (i) the reception of positive feedback from the other directors, and particularly the independent directors, with respect to his appointment as proprietary director of the Company;
- (ii) his potential contributions as proprietary director, giving his point of view and knowledge of the market and, in particular, as an expert and representative of GBL; and
- (iii) his highly qualified professional profile that is appropriate for the duties of proprietary director, and his demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors.

All the above makes clear that his appointment as proprietary director of the Company will provide significant advantages to this management body.

The Board accepts the report from the Appointments and Remuneration Committee, considering that the professional profile of Mr Mario Armero, his track record and international prestige evidence that he meets the appropriate competence, experience and merits requirements to serve the position of director of the Company.

### **2.3 Justification**

Within the framework of the above, and in accordance with the provisions of the Directors Selection Policy, the Board of Directors considers that for a Company director to carry out his duties of supervision and control and the rest of the duties inherent to his position well, he must properly combine the following:

- (i) accredited competence and experience;
- (ii) expertise in, among others, the investments areas in which the Company engages in its business;
- (iii) possibility of dedication and involvement in the Company's business; and
- (iv) knowledge that is additional and supplementary to that inherent to the Company's activity.

The track record and CV of Mr Mario Armero accredits his competence and merits to serve in the position of director. His extensive experience and profound knowledge guarantee appropriate continuity in the management of the Company's interests. Because of the above, as well as the reasons given by the Appointments and Remuneration Committee for this appointment (which this body accepts) the Board of Directors considers the appointment of Mr Mario Armero as Company director justified and convenient. The Board is convinced that he will contribute continuity to the management of the Company and the group.

### **2.4 Category**

Mr Mario Armero will represent GBL, a shareholder with a significant holding in the Company, on the Board of Directors. In accordance with the provisions of applicable law, the candidate will therefore have the category of proprietary director of the Company.

### **2.5 Conclusions of the Board of Directors**

Given the above, the Board of Directors considers the appointment justified and proposes that Mr Mario Armero be appointed director, with the category of proprietary director. The Board of Directors proposes his appointment to the General Shareholders Meeting to be held on 21 or 22 March 2018 at the first or second call, respectively, under item 7.3 of the agenda.

### **3. PROPOSED RESOLUTION**

The proposed resolution submitted for the approval of the General Shareholders Meeting reads as follows:

#### ***“ITEM 7.3 ON THE AGENDA***

***Appointment of Mr Mario Armero Montes as director, with the category of “proprietary director”, for the statutory period of four years***

*At the proposal of the Board of Directors, and with a favourable report from the Appointments and Remuneration Committee, appoint Mr Mario Armero Montes, of legal age, of Spanish nationality, with Spanish Id. number [...] and with domicile for these purposes at Paseo de la Castellana, 216, 28046 Madrid, Spain, as director of the Company with the category of “proprietary director”.*

*The proposed appointment is accompanied by a supporting report from the Board, assessing the competence, experience and merits of Mr Mario Armero Montes, as well as the report from the Appointments and Remuneration Committee mentioned above. These reports have been made available to the shareholders since the publication of the notice calling the General Meeting.*

*Mr Mario Armero Montes may accept his appointment by any means valid in law.”*

Madrid, 7 February 2018

## ANNEX

### **REPORT PREPARED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE APPOINTMENT AS PROPRIETARY DIRECTOR OF MR MARIO ARMERO MONTES, INCLUDED UNDER ITEM 7.3 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON 21 AND 22 MARCH 2018 AT FIRST AND SECOND CALL, RESPECTIVELY**

#### **1. INTRODUCTION**

The Board of Directors of Parques Reunidos Servicios Centrales S.A. (the “**Company**”) is considering to propose the appointment of Mr Mario Armero as director of the Company.

In accordance with the provisions of paragraph 6 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*) approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”), the proposal for the appointment of any director must also be backed by a report from the Appointments and Remuneration Committee.

The present report complies with this legal obligation.

#### **2. PURPOSE OF THE REPORT**

The report is prepared with the aim of complying with the provisions of paragraph 6 of article 529 *decies* of the Spanish Companies Act.

#### **3. ASPECTS CONSIDERED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE**

The Board of Directors began the corresponding process to evaluate the appointment of Mr Mario Armero as a director of the Company (with the category of proprietary director representing the shareholder Groupe Bruxelles Lambert (“**GBL**”)) in view of the (i) shareholding structure of the Company, and (ii) the potential quantitative composition of the Board which may result following the holding of the ordinary General Shareholders Meeting.

Once this process has begun, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the provisions of the above paragraph,

this Committee has concluded that, after the increase in the number of board members composing the Board of Directors of the Company, a director must be appointed to fill the new vacancies.

This Appointments and Remuneration Committee has taken into consideration:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to his appointment as proprietary director of the Company;
- (ii) his potential contributions as proprietary director, giving his point of view and knowledge of the market, and in particular, as an expert and representative of GBL;
- (iii) his highly qualified professional profile that is appropriate for performing the duties of proprietary director, and his demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and
- (iv) the needs of the Board of Directors with respect to the members who make it up.

#### **4. CONCLUSIONS OF THE APPOINTMENTS AND REMUNERATION COMMITTEE**

In light of the above, the Appointments and Remuneration Committee considers the appointment of Mr Mario Armero justified and issues a favourable report on his appointment as director of the Company, supporting the proposal of the Board of Directors.

#### **5. CATEGORY OF DIRECTOR TO WHICH HE BELONGS OR MUST BE ASSIGNED**

Mr Mario Armero will represent GBL, a significant shareholder of the Company, on the Board of Directors. In accordance with applicable law, the candidate will therefore have the category of “proprietary director” of the Company.

Madrid, 7 February 2018

**PROPOSAL AND REPORT BY THE BOARD OF DIRECTORS OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE APPOINTMENT AS PROPRIETARY DIRECTOR OF MR CARLOS ORTEGA ARIAS-PAZ, INCLUDED ON ITEM 7.4 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH 2018 AT THE FIRST CALL AND 22 MARCH 2018 AT THE SECOND CALL**

**1. INTRODUCTION**

This report has been prepared by the Board of Directors of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”), in accordance with the provisions of paragraph 5 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to provide grounds for the proposal to be submitted for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.4 of the agenda.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who do not have the category of independent directors (as in this case) corresponds to the Board of Directors. This proposal must be accompanied by an explanatory report by the Board of Directors assessing the competence, experience and merits of the proposed candidate, based on a report by the Appointments and Remuneration Committee, in accordance with paragraph 6 of article 529 *decies* of the Spanish Companies Act.

This report aims (i) to justify the proposal to the General Meeting to appoint Mr Carlos Ortega as director of the Company, with the category of “proprietary director”; and (ii) to assess the competence, experience and merits of the proposed candidate, based on the said prior report from the Company’s Appointments and Remuneration Committee.

The report by the Appointments and Remuneration Committee is attached as an Appendix to this report.





*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

For the purpose of article 518.e) of the Spanish Companies Act, this report contains full information on the identity, CV and category to which the proposed candidate belongs.

Based on this, the Board of Directors of the Company issues this proposal and report on the appointment of Mr Carlos Ortega as a proprietary director of the Company, which has been approved by the members of the Board at their meeting on 7 February 2018.

## **2. JUSTIFICATION OF THE PROPOSAL**

### **2.1 Professional and personal background**

Mr Carlos Ortega is currently is Chief Strategy Officer at Corporación Financiera Alba with two main responsibilities; leading the development of the firm's international co-investment strategy (looking for opportunities in Europe and foster relationships with key potential like-minded foreign co-investors for investments abroad – and potentially also in Spain) and support the Investment Department. Mr Ortega is involved in all transactions being analysed by Alba. He is also a member of Alba's Management Committee.

Mr Ortega has more than 20 years' international experience in M&A deals —having worked 8 years at Goldman Sachs and 15 years at Crédit Agricole—. During his over 25 years' international experience he has worked in London, New York and Madrid.

Mr Ortega started his career at McKinsey & Company as a management consultant between 1990 and 1992. He later joined Goldman Sachs in 1994, where he worked until 2002 between New York and London, as Executive Director. In 2002 he joined Crédit Agricole, Corporate and Investment Bank as Managing Director, where he was the Head of Iberian Investment Banking.

Mr Ortega holds a Bachelor of Arts degree in International Economics and Industrial Organisation in Harvard University and an MBA from the Harvard Business School. Mr Ortega is also a board member of the Harvard Club of Spain, Liaison of Harvard College Admissions in Spain and Chair of International Interviewers of Harvard University in Spain.

## **2.2 Report by the Appointments and Remuneration Committee and evaluation of the candidate**

The Board of Directors began the corresponding process to evaluate the appointment of Mr Carlos Ortega as a director of the Company (with the category of proprietary director representing the shareholder Corporación Financiera Alba, S.A.) in view of the (i) shareholding structure of the Company, and (ii) the potential quantitative composition of the Board which may result following the holding of the ordinary General Shareholders Meeting.

In this regard, the Appointments and Remuneration Committee issued the required prior report with a favourable opinion on the proposed appointment of Mr Carlos Ortega as proprietary director of the Company, in view of, among other factors:

- (i) the reception of positive feedback from the other directors, and particularly the independent directors, with respect to his appointment as proprietary director of the Company;
- (ii) his potential contributions as proprietary director, giving his point of view and knowledge of the market and, in particular, as an expert and representative of Corporación Financiera Alba, S.A.; and
- (iii) his highly qualified professional profile that is appropriate for the duties of proprietary director, and his demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors.

All the above makes clear that his appointment as proprietary director of the Company will provide significant advantages to this management body.

The Board accepts the report from the Appointments and Remuneration Committee, considering that the professional profile of Mr Carlos Ortega, his track record and international prestige evidence that he meets the appropriate competence, experience and merits requirements to serve the position of director of the Company.

### **2.3 Justification**

Within the framework of the above, and in accordance with the provisions of the Directors Selection Policy, the Board of Directors considers that for a Company director to carry out his duties of supervision and control and the rest of the duties inherent to his position well, he must properly combine the following:

- (i) accredited competence and experience;
- (ii) expertise in, among others, the investments areas in which the Company engages in its business;
- (iii) possibility of dedication and involvement in the Company's business; and
- (iv) knowledge that is additional and supplementary to that inherent to the Company's activity.

The track record and CV of Mr Carlos Ortega accredits his competence and merits to serve in the position of director. His extensive experience and profound knowledge guarantee appropriate continuity in the management of the Company's interests. Because of the above, as well as the reasons given by the Appointments and Remuneration Committee for this appointment (which this body accepts) the Board of Directors considers the appointment of Mr Carlos Ortega as Company director justified and convenient. The Board is convinced that he will contribute continuity to the management of the Company and the group.

### **2.4 Category**

Mr Carlos Ortega will represent Corporación Financiera Alba, S.A., a shareholder with a significant holding in the Company, on the Board of Directors. In accordance with the provisions of applicable law, the candidate will therefore have the category of proprietary director of the Company.

### **2.5 Conclusions of the Board of Directors**

Given the above, the Board of Directors considers the appointment justified and proposes that Mr Carlos Ortega be appointed director, with the category of proprietary director. The Board of Directors proposes his appointment to the General Shareholders Meeting to be held on 21 or 22 March 2018 at the first or second call, respectively, under item 7.4 of the agenda.

### 3. PROPOSED RESOLUTION

The proposed resolution submitted for the approval of the General Shareholders Meeting reads as follows:

#### **“ITEM 7.4 ON THE AGENDA**

***Appointment of Mr Carlos Ortega Arias-Paz as director, with the category of “proprietary director”, for the statutory period of four years***

*At the proposal of the Board of Directors, and with a favourable report from the Appointments and Remuneration Committee, appoint Mr Carlos Ortega Arias-Paz, of legal age, of Spanish nationality, with Spanish Id. number [...] and with domicile for these purposes at Paseo de la Castellana, 216, 28046 Madrid, Spain, as director of the Company with the category of “proprietary director”.*

*The proposed appointment is accompanied by a supporting report from the Board, assessing the competence, experience and merits of Mr Carlos Ortega Arias-Paz, as well as the report from the Appointments and Remuneration Committee mentioned above. These reports have been made available to the shareholders since the publication of the notice calling the General Meeting.*

*Mr Carlos Ortega Arias-Paz may accept his appointment by any means valid in law.”*

Madrid, 7 February 2018

## ANNEX

### **REPORT PREPARED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE APPOINTMENT AS PROPRIETARY DIRECTOR OF MR CARLOS ORTEGA ARIAS-PAZ, INCLUDED UNDER ITEM 7.4 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON 21 AND 22 MARCH 2018 AT FIRST AND SECOND CALL, RESPECTIVELY**

#### **1. INTRODUCTION**

The Board of Directors of Parques Reunidos Servicios Centrales S.A. (the “**Company**”) is considering to propose the appointment of Mr Carlos Ortega as director of the Company.

In accordance with the provisions of paragraph 6 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*) approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”), the proposal for the appointment of any director must also be backed by a report from the Appointments and Remuneration Committee.

The present report complies with this legal obligation.

#### **2. PURPOSE OF THE REPORT**

The report is prepared with the aim of complying with the provisions of paragraph 6 of article 529 *decies* of the Spanish Companies Act.

#### **3. ASPECTS CONSIDERED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE**

The Board of Directors began the corresponding process to evaluate the appointment of Mr Carlos Ortega as a director of the Company (with the category of proprietary director representing the shareholder Corporación Financiera Alba, S.A.) in view of the (i) shareholding structure of the Company, and (ii) the potential quantitative composition of the Board which may result following the holding of the ordinary General Shareholders Meeting.

Once this process has begun, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the provisions of the above paragraph,

this Committee has concluded that, after the increase in the number of board members composing the Board of Directors of the Company, a director must be appointed to fill the new vacancies.

This Appointments and Remuneration Committee has taken into consideration:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to his appointment as proprietary director of the Company;
- (ii) his potential contributions as proprietary director, giving his point of view and knowledge of the market, and in particular, as an expert and representative of Corporación Financiera Alba, S.A.;
- (iii) his highly qualified professional profile that is appropriate for performing the duties of proprietary director, and his demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and
- (iv) the needs of the Board of Directors with respect to the members who make it up.

#### **4. CONCLUSIONS OF THE APPOINTMENTS AND REMUNERATION COMMITTEE**

In light of the above, the Appointments and Remuneration Committee considers the appointment of Mr Carlos Ortega justified and issues a favourable report on his appointment as director of the Company, supporting the proposal of the Board of Directors.

#### **5. CATEGORY OF DIRECTOR TO WHICH HE BELONGS OR MUST BE ASSIGNED**

Mr Carlos Ortega will represent Corporación Financiera Alba, S.A., a significant shareholder of the Company, on the Board of Directors. In accordance with applicable law, the candidate will therefore have the category of “proprietary director” of the Company.

Madrid, 7 February 2018

**REPORT BY THE BOARD OF DIRECTORS OF PARQUES REUNIDOS  
SERVICIOS CENTRALES, S.A. IN RELATION TO THE APPOINTMENT AS  
INDEPENDENT DIRECTOR OF MS JACKIE KERNAGHAN, INCLUDED ON  
ITEM 7.5 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING  
TO BE HELD ON 21 MARCH AT THE FIRST CALL AND 22 MARCH 2018 AT  
THE SECOND CALL**

**1. INTRODUCTION**

The Appointments and Remuneration Committee of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”) has proposed the General Meeting of Shareholders the appointment of Ms Jackie Kernaghan as director of the Company.

This report has been prepared by the Board of Directors of the Company, in accordance with the provisions of paragraph 5 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to provide grounds for the proposal to be submitted for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.5 of the agenda.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who have the category of independent directors (as in this case) corresponds to the Appointments and Remuneration Committee. This proposal must be accompanied by an explanatory report by the Board of Directors assessing the competence, experience and merits of the proposed candidate.

This report aims (i) to justify the proposal of the Appointments and Remuneration Committee to the General Meeting of Shareholders to appoint Ms Jackie Kernaghan as director of the Company, with the category of “independent director”; and (ii) to assess the competence, experience and merits of the proposed candidate.

The proposal of the Appointments and Remuneration Committee is attached as an Appendix to this report.

For the purpose of article 518.e) of the Spanish Companies Act, this report contains full information on the identity, CV and category to which the proposed candidate belongs.

Consequently, the Board of Directors of the Company issues this report on the designation of Ms Jackie Kernaghan as independent director of the Company, which has been approved by the members of the Board at their meeting on 7 February 2018.

## **2. JUSTIFICATION OF THE REPORT**

### **2.1 Professional and personal background**

Jackie Kernaghan has an extensive experience in the Hotel and Travel Industries. During her career she has held many high profile roles including, among others, Chair of the Institute of Travel and Tourism, Advisor to the UK Government's White Paper on Tourism, Member of the World Tourism Organisation's Advisory Committee, Member of ABTA's Tour Operating Council and European Businesswoman of Achievement.

Ms Kernaghan is currently Managing Director at JKS Associates, Business Consultants and a Non-Executive Director at SDWorx UK, where she has strategically guided the Executive Team to transform the business from a small payroll-only operator to become one of the UK's premier H.R. Management and Software companies.

She started her career in Cosmos Holidays, where she held various positions from 1974 to 1986. She then worked for the tour operator Intasun Reisen, Dusseldorf, Germany from 1986 to 1988 as Managing Director. From 1988 to 1989 she worked in the leisure transportation industry for Coach Europe & Drive Europe as Managing Director. From 1989 to 1991 she worked for the tour operator Global Holidays & Lancaster Holidays as Managing Director. From 1991 to 1993 she worked for the tour operator Riva Travel as Managing Director. In 1993 she joined Forte Hotels plc (the world's largest hotel operator at that time with a well balanced portfolio of properties ranging from Luxury to familiar brands). During her tenure, she worked as Director of the Worldwide Sales, Reservations and Yield Management, Senior VP of Leisure Sales and Marketing and was later appointed CEO of the Air Travel Group. In 2000 she joined Nicholson McBride as Managing Director. Ms Kernaghan created a team of Business Psychologists working with key FTSE 100 companies, predominantly in the



Finance, Legal, Automotive and Oil Industries. The team specialized in post-merger Strategic Direction, Cultural and Financial Integration, enabling clients to fast-track business growth.

In summary, the candidate, according to this Board of Directors' understanding, is an individual with a recognised prestige and professional competence, who meets the repute, suitability, professional solvency, competence, experience, qualification, formation, availability and compromise requirements necessary to be appointed as director of the Company, as provided for in the Directors' Selection Policy.

## **2.2 Report by the Appointments and Remuneration Committee and evaluation of the candidate**

The Appointments and Remuneration Committee in view of (i) the current shareholding structure of the Company; and (ii) the potential quantitative composition of the Board following the holding of the ordinary General Shareholders' Meeting, of Directors, analyzed the current structure and composition of the Board, as well as the knowledge, competencies, experience and needs of the member of the Board.

During this process, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the foregoing, the Committee concluded that, in light of the current shareholder structure of the Company and the potential quantitative composition of the Board which may result following the holding of the ordinary General Shareholders' Meeting, that an independent director must be appointed.

In this regard, the Appointments and Remuneration Committee took into account on its proposal of designation:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to her appointment as independent director of the Company;
- (ii) her potential contributions as independent director, giving her point of view and knowledge of the market;
- (iii) her highly qualified professional profile that is appropriate for performing the duties of independent director, and her demonstrable solvency, competence and experience, as

well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and

(iv) the needs of the Board of Directors with respect to the members who make it up.

All the above made clear that her designation as independent director of the Company would provide significant advantages to this management body, and thus, the Committee proposed the appointment of Ms Jackie Kernaghan as independent director of the Company.

Moreover, the Appointments and Remuneration Committee deems that, considering the candidate's profile and professional career, Ms Jackie Kernaghan will exercise her duties as director with the loyalty of a faithful representative, acting in good faith, in the best interest of the Company, responsible, and with freedom and independence of judgement, as shown by her professional track record. Furthermore, the Appointments and Remuneration Committee considers that Ms Jackie Kernaghan will devote the necessary time to carry out her tasks effectively and is sufficient available for the proper development of her functions.

Furthermore, this designation contributes to reach the 2020 target on number of female directors of at least 30% of the total Board members in line with the Directors' Selection Policy.

### **2.3 Justification**

Within the framework of the above, and in accordance with the provisions of the Directors' Selection Policy, the Board of Directors considers that the track record and CV of Ms Jackie Kernaghan accredits her competence and merits to serve as director. Her extensive experience and knowledge guarantee appropriate continuity in the management of the interests of the Company. Additionally, having him as member of the Board of Directors is in line with the policy and commitment of the Company with a diverse structure of the Board of Directors.

### **2.4 Category**

Ms Jackie Kernaghan will not represent any shareholder on the Board of Directors nor will exercise executive tasks. In accordance with applicable law, the candidate will therefore have the category of independent director of the Company.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

## **2.5 Conclusions of the Board of Directors**

In light of the above, the Board of Directors considers the appointment of Ms Jackie Kernaghan justified and issues a favorable report on her appointment as director of the Company on the understanding that he will support the continuity in the management of the Company and its group supporting the proposal of the Appointments and Remuneration Committee.

Madrid, 7 February 2018.

## ANNEX

### **PROPOSAL PREPARED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE APPOINTMENT AS INDEPENDENT DIRECTOR OF MS JACKIE KERNAGHAN, INCLUDED ON ITEM 7.5 OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING TO BE HELD ON 21 MARCH AT THE FIRST CALL AND 22 MARCH 2018 AT THE SECOND CALL**

#### **1. INTRODUCTION**

This proposal from the Appointments and Remuneration Committee of Parques Reunidos Servicios Centrales, S.A. (the “**Company**”) in accordance with the provisions of paragraph 4 of article 529 *decies* of the reinstated text of the Spanish Companies Act (*Ley de Sociedades de Capital*) approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”). Its aim is to propose for approval by the General Shareholders Meeting of the company called for 21 March at the first call and 22 March 2018 at the second call, under item 7.5 of the agenda, the appointment of Ms Jackie Kernaghan as director with the category of independent director.

In accordance with the provisions of said article, the proposal to appoint or re-elect members of the Board of Directors who do not have the category of independent directors (as in this case) corresponds to the Board of Directors.

#### **2. PURPOSE OF THE PROPOSAL**

The proposal is prepared with the aim of complying with the provisions of paragraph 4 of article 529 *decies* of the Spanish Companies Act.

#### **3. ASPECTS CONSIDERED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE**

The Appointments and Remuneration Committee in view of (i) the current shareholding structure of the Company; and (ii) the potential quantitative composition of the Board following the holding of the ordinary General Shareholders Meeting, analyzed the current structure and composition of the Board, as well as the knowledge, competencies, experience and needs of the member of the Board.

In this context, the Appointments and Remunerations Committee evaluated the professional and biographical profile of the candidate:

Jackie Kernaghan has an extensive experience in the Hotel and Travel Industries. During her career she has held many high profile roles including, among others, Chair of the Institute of Travel and Tourism, Advisor to the UK Government's White Paper on Tourism, Member of the World Tourism Organisation's Advisory Committee, Member of ABTA's Tour Operating Council and European Businesswoman of Achievement.

Ms Kernaghan is currently Managing Director at JKS Associates, Business Consultants and a Non-Executive Director at SDWorx UK, where she has strategically guided the Executive Team to transform the business from a small payroll-only operator to become one of the UK's premier H.R. Management and Software companies.

She started her career in Cosmos Holidays, where she held various positions from 1974 to 1986. She then worked for the tour operator Intasun Reisen, Dusseldorf, Germany from 1986 to 1988 as Managing Director. From 1988 to 1989 she worked in the leisure transportation industry for Coach Europe & Drive Europe as Managing Director. From 1989 to 1991 she worked for the tour operator Global Holidays & Lancaster Holidays as Managing Director. From 1991 to 1993 she worked for the tour operator Riva Travel as Managing Director. In 1993 she joined Forte Hotels plc (the world's largest hotel operator at that time with a well balanced portfolio of properties ranging from Luxury to familiar brands). During her tenure, she worked as Director of the Worldwide Sales, Reservations and Yield Management, Senior VP of Leisure Sales and Marketing and was later appointed CEO of the Air Travel Group. In 2000 she joined Nicholson McBride as Managing Director. Ms Kernaghan created a team of Business Psychologists working with key FTSE 100 companies, predominantly in the Finance, Legal, Automotive and Oil Industries. The team specialized in post-merger Strategic Direction, Cultural and Financial Integration, enabling clients to fast-track business growth.

In the mentioned procedure, the Appointments and Remuneration Committee carried out an analysis of the needs of the Board. Taking into account the foregoing, and considering the current shareholding structure of the Company and the quantitative composition of the Board which may result following the holding of the ordinary General Shareholders Meeting, this Committee concluded that, a director had to be appointed.

In this regard, and in connection with the proposal for the appointment of the mentioned independent director, this Committee has taken into consideration:

- (i) the receipt of positive responses from the other directors, and particularly the independent directors, with respect to her appointment as independent director of the Company;
- (ii) her potential contributions as independent director, giving her point of view and knowledge of the market;
- (iii) her highly qualified professional profile that is appropriate for performing the duties of independent director, and her demonstrable solvency, competence and experience, as well as the combination of attributes and skills needed to head up the duties of supervision currently carried out by the Board of Directors; and
- (iv) the needs of the Board of Directors with respect to the members who make it up.

In view of the above, the Committee deems that the candidate's professional profile, career and international recognition prove that Ms Jackie Kernaghan counts with the required skills, expertise, merits to carry out her tasks as director of the Company.

According to the Directors' Selection Policy the Appointments and Remuneration Committee has verified, to the extent possible, that there are no incompatibilities, prohibitions or conflicts of interest involved, as established by the law or as provided in the system of corporate governance; and that the procedures for selecting Board members has not involved any implicit bias that may imply any form of discrimination.

Furthermore, this designation contributes to reach the 2020 target on number of female directors of at least 30% of the total Board members in line with the Directors' Selection, Policy.

#### **4. CATEGORY OF DIRECTOR TO WHICH HE BELONGS OR MUST BE ASSIGNED**

Ms Jackie Kernaghan will not represent any shareholder on the Board of Directors nor will exercise executive tasks. In accordance with applicable law, the candidate will therefore have the category of independent director of the Company.

## **5. CONCLUSIONS OF THE APPOINTMENTS AND REMUNERATION COMMITTEE.**

In light of the above, the Appointments and Remuneration Committee considers the appointment of Ms Jackie Kernaghan that he meets the appropriate competence, experience and merits requirements to serve the position of director of the Company under conditions established by Law and regulation, and consequently, submits for the approval of the General Meeting Of Shareholders the proposal of appointment of Ms Jackie Kernaghan as independent director of the Company.

## **6. PROPOSED RESOLUTION**

The proposed resolution submitted for the approval of the General Shareholders Meeting reads as follows:

### ***“ITEM 7.5 OF THE AGENDA***

**Ratification and re-election of Ms Jackie Kernaghan as director, with the category of independent director, for the statutory period of four years.**

*Appoint Ms Jackie Kernaghan, of legal age, of British nationality with Foreigners Identification Number [...] in force and with domicile for these purposes at Paseo de la Castellana, 216, planta 16, 28046 Madrid, Spain, as director of the Company with the category of independent director, for the statutory period of four years form the date of this General Shareholders Meeting, based on the proposal of the Appointments and Remuneration Committee.*

*The proposed appointment is accompanied by a supporting report from the Board, evaluating the competence, experience and merits of Ms Jackie Kernaghan. This report and the mentioned proposal have been made available to the shareholders as from the publication of the notice of the General Meeting of Shareholders.*

*Ms Jackie Kernaghan may accept her appointment by any means valid in law.”*

Madrid, 7 February 2018.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

**REPORT PREPARED BY THE APPOINTMENTS AND REMUNERATION  
COMMITTEE OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A.  
BASED ON THE PROPOSED AGREEMENT ON THE AMENDING OF THE  
COMPANY REMUNERATION POLICY, INCLUDED IN ITEM EIGHTH OF THE  
AGENDA OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING TO BE  
HELD ON 21 AND 22 MARCH 2018, ON FIRST AND SECOND CALL,  
RESPECTIVELY**

**1. OBJECT OF THE REPORT**

Under article 529 novodecies of the consolidated text of Spanish Companies Law, enacted by Royal Legislative Decree 1/2010, of 2 July ("**Companies Law**"), as well as article 15.5.(v) of the Rules of the Board of Directors of Parques Reunidos Servicios Centrales, S.A. ("**Parques Reunidos**" or "**Company**"), the Appointments and Remuneration Committee, in its meeting of 7 February 2018, prepared and approved this report to justify and explain the proposed amendment of the Company Remuneration Policy, which will be brought to the Board of Directors so that the Board, in turn, can submit it for approval at the General Shareholders' Meeting of Parques Reunidos.

The aforementioned proposal, whose full text is in the Exhibit hereto has the purpose of (i) conferring greater flexibility to the Board of Directors in order to determine the annual fixed remuneration of each of the board members in their capacity as such, without amending the aforementioned limits in order to allow the Company to attract and retain the best professionals; (ii) include the amendments necessary for implementing a new long-term incentive plan for the Company, subject to the approval of this Ordinary Shareholders' Meeting under item Nine of the agenda, and that further involves the handing over of options for Company shares in favor of the Company CEO; and (iii) reflect the new maximum annual amount of remuneration for the members of the Board of Directors in their capacity as such, likewise subject to approval of this Ordinary Shareholders' Meeting, under item Ten of the agenda, as well as other adjustments and minor changes that are not related to the above points (e.g. dates, section numbers, technical adjustments to remove possible contradictions or repetitions, certain inclusions deriving from the applicable regulations, etc.).



The remaining terms of the Remuneration Policy approved by the then sole shareholder of the Company on 13 April 2017 will remain unchanged.

## **2. JUSTIFICATION OF THE PROPOSED AMENDMENTS**

### **2.1 Amendment of the section relating to the fixed annual remuneration of the members in their capacity as such**

In line with article 529 septdecies of the Companies Law, the Appointments and Remuneration Committee considers it important that, in certain circumstances, the Company Board of Directors have the power to moderate the fixed remuneration assigned to each of the board members due to their status as such.

Specifically, the Committee understands that the Board of Directors must have the capacity to reduce the amount to be received by each of the members when, as a result of an increase in the number of members of the Board of Directors the total amount of the remuneration to be paid exceeds the maximum annual amount set by the Company Shareholders' Meeting.

### **2.2 Including the necessary provisions for including and implementing the new long-term incentives plan in which the CEO will participate.**

#### *2.2.1 Justification for the amendment*

The Appointments and Remuneration Committee, with the support of external consultants, has been working on the design of a new long-term incentives plan. After the consulting and communication process between the members of the Committee led by the Chairman, there exists the conviction of the need to implement the plan in accordance with the terms described herein, and therefore it is proposed to the Board of Directors that it be submitted for approval to the present Ordinary Shareholders' Meeting.

Due to the Company CEO having the status of beneficiary of the aforementioned long-term incentive plan, it is necessary to adapt the Company Remuneration Policy in order to accommodate this new system.

### *2.2.2 Explanation of the main characteristics of the new long-term variable remuneration system*

The new long-term incentive plan (*New Long-Term Incentive Plan*, "**New LTIP**") consists of the handing over of Company stock options (*stock options*), which may be exercised after a period of three years. In this way, it is guaranteed that an important part of the long-term variable remuneration for the CEO is connected to the performance of the Company.

The aforementioned stock options will be handed with effect 1 January 2018 ("**Concession Date**"). After three years have transpired from 1 January 2018 ("**Consolidation Period**"), the stock options may be exercised during a period of four years ("**Exercise Period**"), which will be during the years 2021 to 2024.

The exercise price of the stock options handed over under the New LTIP framework will be the greater of (i) the price of the shares of the Company on the date of the IPO, which is 15.50 euros per share; or (ii) the price of the shares of the Company on the Concession Date ("**Exercise Price**").

Each stock option will give the right to receive the increased value of an equivalent number of shares in Parques Reunidos, taking as reference the quoted market price of the shares in Parques Reunidos at the exercise date of the options ("**Reference Value**").

The stock options will be settled in shares in Parques Reunidos. In accordance with the liquidation mechanism of the New LTIP, the number of shares to be granted will be determined by dividing: (i) the return obtained at the exercise of options, equivalent to the positive difference between the Reference Value and the Exercise Price (intrinsic value), by (ii) the Reference Value.

The General Shareholders Meeting must approve the implementation of this scheme to the CEO, including the number of stock options to be granted, the exercise price, the reference value and the exercise period within the terms and as set out in article 219 of the Corporate Act.

### **2.3 Change relating to the maximum annual amount of remuneration by the members of the Board of Directors due to their status as such**

Given the possible increase in the maximum annual amount of remuneration for the members of the Board of Directors due to their status as such, which in turn is grounds for the potential increase in the number of members of the Board of Directors and in the naming of three new



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

members, the Appointment and Remuneration Committee considers that it is necessary to update the amount reflected in the current Remuneration Policy.

Likewise, using the amendment of this section of the Remuneration Policy, this Committee considers it appropriate to make deletions and technical adjustments for maintaining coherence in the resulting text.

### **3. IN-FORCE PERIOD**

In accordance with article 529 novodecies of the Companies Law, the Remuneration Policy will be applicable during the 2017, 2018, and 2019 accounting periods, except for when the Company General Shareholders' Meeting agrees to its amendment or substitution during this period.

### **4. CONCLUSION**

Given all of the above, in accordance with article 529 novodecies of the Companies Law, the Appointments and Remuneration Committee of Parques Reunidos brings this proposal to the Company Board of Directors so that it may in turn propose it to the Shareholders' Meeting for approval.

Madrid, 7 February 2018.

## ANNEX

### FULL TEXT OF THE PROPOSED AMENDMENT

An amendment is proposed to section "4.3.1. *Annual fixed remuneration*", which will have the following text:

#### ***"4.3.1 Annual fixed remuneration***

*The Board will establish the criteria in order to determine the amounts corresponding to each eligible Director, taking into account:*

- The role the Director has been assigned in the Board and in any of its committees.*
- The specific tasks and responsibilities assigned.*
- The knowledge and experience required to carry out those tasks.*
- The amount of time and dedication required to comply effectively with them.*

*Considering the above, the individual amount to be perceived by the members of the Board of Directors as annual fixed remuneration are as follows:*

- An amount of 225 thousand euros for the Chairman of the Board of Directors.*
- An amount of 65 thousand euros for each member of the Board of Directors.*

*The individual amount to be perceived by the members of the Board of Directors corresponding to their membership in the different committees are as follows:*

- An amount of 25 thousand euros for the membership of the Director in the Appointments and Remuneration Committee.*
- An amount of 25 thousand euros for the membership of the Director in the Audit and Control Committee.*

*Abovementioned amounts correspond to a complete financial year. In case any Director forms part of the Board of Directors or one or more of the committees for a period to a complete financial year, the amounts to be perceived will be accordingly prorated.*

*If the number of members of the Board of Directors were increased within the limits foreseen in the Company's by-laws, the fixed remuneration to be perceived for any additional non-executive Director will be determined according to the terms described above. If, as a result of the increase in the number of the members of the Board of Directors, the total amount to pay to the members due to their status as such is greater than the maximum annual amount of remuneration for the members due to their status*

*as such, the Board of Directors will be authorized to proportionally reduce the amounts set out in this section 4.3.1.*

*Within the limit of the maximum annual amount of remuneration for the members of the Board of Directors due to their status as such, the amounts set out in this section 4.3.1 may be increased at the discretion of the Board of Directors up to 15% over the period of validity of this Policy, unless the Shareholders General Meeting approves a different amount in the coming years."*

An amendment is proposed to section "4.3.3. *The annual maximum amount of remuneration for the members of the Board of Directors due to their status as such*", which will have the following text:

***“4.3.3. Maximum amount of annual remuneration for Directors in their capacity of such***

*The maximum annual remuneration to be perceived annually by the members of the Board of Directors for their position will amount 1,100,000 euros.*

*Exceptionally, regarding those non-executive Directors who buy shares of Parques Reunidos Servicios Centrales, S.A. at the time of Initial Public Offering, a number of Restricted Stock Units equivalent to a number of shares up to a maximum amount of 1.250 thousand euros at the Initial Public Offering valuation, to be vested after a three years period if certain conditions are met, will be granted.*

*The said maximum amount shall remain valid until amendments of the same by the Shareholders General Meeting.”*

A proposal is made to amend section "5.3.2.2 *Long-term variable remuneration*", which will have the following text:

***“5.3.2.2. Long term variable remuneration***

*The Executive Directors could participate in the long term incentive plans implemented by the Company from time to time, when set by the Board of Directors upon proposal of the Appointments and Remuneration Committee.*

*Accordingly, the long-term variable remuneration allows the CEO to perceive a certain amount of shares of the Company referenced to their fixed remuneration and*

depending on (i) the achievement level of the targets proposed by the Appointments and Remuneration Committee and established by the Board of Directors, or (ii) the performance of the market price of the Company's shares.

(a) Long-Term Incentive Plan (LTIP)

The LTIP is composed of two annual grants of performance stock units ("PSU") or cycles with a three year measurement period each. Each cycle shall commence in the corresponding initial date (the "**Initial Date**") and shall end in the third anniversary from the Initial Date (the "**Value Date**"). The date of Admission will be considered the Initial Date for the first cycle. For the second cycle the Initial Date will be the 1st of January of 2017. The delivery of the shares related to each cycle, if the performance conditions are met, shall be made after sixty business days have elapsed following the relevant Value Date to the extent the performance conditions have been met. Considering the annual granting of PSUs and the three year measurement period, cycles would overlap over time and consequently, the LTIP shall extend from Admission until March 2020.

Each PSU will entitle the CEO to receive one share if he continues providing services until the Value Date and the pre-established performance conditions are met. The number of PSUs that the CEO will receive will be calculated dividing his fixed salary by the average of the share price at the Initial Date and the stock price objective at Value Date of the relevant cycle, which will be communicated by the Company to the CEO at the corresponding Initial Date.

The final number of PSUs that will be converted into the shares that the CEO will be entitled to receive will depend on the degree of achievement of the following objectives: (i) the stock price; (ii) the relative total shareholder return as compared with a peer group of four companies of the leisure parks operator sector; and (iii) the relative total shareholder return as compared with a peer group of other fifteen companies considered relevant for comparative purposes. The performance scale defined regarding each of the objectives allows an overachievement of the target of 20%.

(b) New Long-Term Incentive Plan (New LTIP)

The New Long-Term Incentive Plan, (hereinafter, "**New LTIP**") consists of the handing over of Company stock options. The handing over of these options will take place with effect 1 January 2018 ("**Concession Date**"). After three years have elapsed from 1 January 2018 ("**Consolidation Period**"), the stock options may be exercised during a period of four years ("**Exercise Period**"), which is during the years 2021 to 2024.

*The exercise price of the stock options handed over within the framework of the new LTIP will be the greater of the following values: (i) the price of the Company shares on the date of the IPO, which is 15.50 euros per share; or (ii) the price of the Company shares on the Concession Date ("**Exercise Price**").*

*Each stock option will give the right to receive the increased value of an equivalent number of shares in Parques Reunidos, taking as reference the quoted market price of the shares in Parques Reunidos at the exercise date of the options ("**Reference Value**").*

*The stock options will be settled in shares in Parques Reunidos. In accordance with the liquidation mechanism of the New LTIP, the number of shares to be granted will be determined by dividing: (i) the return obtained at the exercise of options, equivalent to the positive difference between the Reference Value and the Exercise Price (intrinsic value), by (ii) the Reference Value.*

*The General Shareholders Meeting must approve the implementation of this scheme to the CEO, including the number of stock options to be granted, the exercise price, the reference value and the exercise period within the terms and as set out in article 219 of the Corporate Act."*

An amendment is proposed to section "6.3 *Remuneration Policy In-force Period*", which will have the following text:

*" This Remuneration Policy shall remain valid for the three financial years following that in which it was approved by the then sole shareholder of the Company.*

*Notwithstanding, the Shareholder Meeting of Parques Reunidos could amend, modify or substitute the present Remuneration Policy at any time in accordance with the procedures established.*

*This text of the Remuneration Policy includes the amendments approved by the General Shareholders' Meetings of 16 March 2017 and 21 March 2018."*

The other sections of the Remuneration Policy remained unchanged, except for matters regarding possible adjustments of dates or paragraph numbering.



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

**REASONED PROPOSAL OF THE BOARD OF DIRECTORS OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. REGARDING THE AMENDING OF THE COMPANY REMUNERATION POLICY, INCLUDED IN ITEM EIGHTH OF THE AGENDA OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING TO BE HELD ON THE 21 AND 22 MARCH 2018, AS THE FIRST AND SECOND MEETINGS RESPECTIVELY**

**1. INTRODUCTION**

Under article 529 novodecies of the consolidated text Spanish Companies Law, enacted by Royal Legislative Decree 1/2010, of 2 July ("**Companies Law**") the Board of Directors of Parques Reunidos Servicios Centrales, S.A. ("**Parques Reunidos**" or "**Company**"), based on a report from the Appointments and Remuneration Committee, prepared and approved this reasoned proposal for amending the Parques Reunidos Remuneration Policy, which will be submitted for approval at the General Shareholders' Meeting that will possibly take place on March 21, 2018.

If the Parques Reunidos General Shareholders' Meeting approves it, this amended text of the Remuneration Policy will substitute and replace the text that up to this moment has been in effect, as set out in the latest Annual Remuneration Report and submitted to consultative vote by the Board of Directors, which is the report corresponding to the accounting period closing on September 30, 2017.

**2. IN-FORCE PERIOD**

Under article 529 novodecies of the Companies Law, the Remuneration Policy will be applicable during the 2017, 2018, and 2019 accounting periods, except for when the Company General Shareholders' Meeting agrees to its amendment or substitution during this period.

**3. AMENDMENT PROPOSAL**

An amendment is proposed to section "4.3.1. *Annual fixed remuneration*", which will have the following text:



#### ***"4.3.1 Annual fixed remuneration***

*The Board will establish the criteria in order to determine the amounts corresponding to each eligible Director, taking into account:*

- The role the Director has been assigned in the Board and in any of its committees.*
- The specific tasks and responsibilities assigned.*
- The knowledge and experience required to carry out those tasks.*
- The amount of time and dedication required to comply effectively with them.*

*Considering the above, the individual amount to be perceived by the members of the Board of Directors as annual fixed remuneration are as follows:*

- An amount of 225 thousand euros for the Chairman of the Board of Directors.*
- An amount of 65 thousand euros for each member of the Board of Directors.*

*The individual amount to be perceived by the members of the Board of Directors corresponding to their membership in the different committees are as follows:*

- An amount of 25 thousand euros for the membership of the Director in the Appointments and Remuneration Committee.*
- An amount of 25 thousand euros for the membership of the Director in the Audit and Control Committee.*

*Abovementioned amounts correspond to a complete financial year. In case any Director forms part of the Board of Directors or one or more of the committees for a period to a complete financial year, the amounts to be perceived will be accordingly prorated.*

*If the number of members of the Board of Directors were increased within the limits foreseen in the Company's by-laws, the fixed remuneration to be perceived for any additional non-executive Director will be determined according to the terms described above. If, as a result of the increase in the number of the members of the Board of Directors, the total amount to pay to the members due to their status as such is greater than the maximum annual amount of remuneration for the members due to their status as such, the Board of Directors will be authorized to proportionally reduce the amounts set out in this section 4.3.1.*

*Within the limit of the maximum annual amount of remuneration for the members of the Board of Directors due to their status as such, the amounts set out in this section 4.3.1 may be increased at the discretion of the Board of Directors up to 15% over the period of validity of this Policy, unless the Shareholders General Meeting approves a different amount in the coming years."*

An amendment is proposed to section "4.3.3. *The annual maximum amount of remuneration for the members of the Board of Directors due to their status as such*", which will have the following text:

***"4.3.3. Maximum amount of annual remuneration for Directors in their capacity of such***

*The maximum annual remuneration to be perceived annually by the members of the Board of Directors for their position will amount 1,100,000 euros.*

*Exceptionally, regarding those non-executive Directors who buy shares of Parques Reunidos Servicios Centrales, S.A. at the time of Initial Public Offering, a number of Restricted Stock Units equivalent to a number of shares up to a maximum amount of 1.250 thousand euros at the Initial Public Offering valuation, to be vested after a three years period if certain conditions are met, will be granted.*

*The said maximum amount shall remain valid until amendments of the same by the Shareholders General Meeting."*

A proposal is made to amend section "5.3.2.2 *Long-term variable remuneration*", which will have the following text:

***"5.3.2.2. Long term variable remuneration***

*The Executive Directors could participate in the long term incentive plans implemented by the Company from time to time, when set by the Board of Directors upon proposal of the Appointments and Remuneration Committee.*

*Accordingly, the long-term variable remuneration allows the CEO to perceive a certain amount of shares of the Company referenced to their fixed remuneration and depending on (i) the achievement level of the targets proposed by the Appointments and Remuneration Committee and established by the Board of Directors, or (ii) the performance of the market price of the Company's shares.*

(a) *Long-Term Incentive Plan (LTIP)*

*The LTIP is composed of two annual grants of performance stock units (“PSU”) or cycles with a three year measurement period each. Each cycle shall commence in the corresponding initial date (the “Initial Date”) and shall end in the third anniversary from the Initial Date (the “Value Date”). The date of Admission will be considered the Initial Date for the first cycle. For the second cycle the Initial Date will be the 1st of January of 2017. The delivery of the shares related to each cycle, if the performance conditions are met, shall be made after sixty business days have elapsed following the relevant Value Date to the extent the performance conditions have been met. Considering the annual granting of PSUs and the three year measurement period, cycles would overlap over time and consequently, the LTIP shall extend from Admission until March 2020.*

*Each PSU will entitle the CEO to receive one share if he continues providing services until the Value Date and the pre-established performance conditions are met. The number of PSUs that the CEO will receive will be calculated dividing his fixed salary by the average of the share price at the Initial Date and the stock price objective at Value Date of the relevant cycle, which will be communicated by the Company to the CEO at the corresponding Initial Date.*

*The final number of PSUs that will be converted into the shares that the CEO will be entitled to receive will depend on the degree of achievement of the following objectives: (i) the stock price; (ii) the relative total shareholder return as compared with a peer group of four companies of the leisure parks operator sector; and (iii) the relative total shareholder return as compared with a peer group of other fifteen companies considered relevant for comparative purposes. The performance scale defined regarding each of the objectives allows an overachievement of the target of 20%.*

(b) *New Long-Term Incentive Plan (New LTIP)*

*The New Long-Term Incentive Plan, (hereinafter, “New LTIP”) consists of the handing over of Company stock options. The handing over of these options will take place with effect 1 January 2018 (“Concession Date”). After three years have elapsed from 1 January 2018 (“Consolidation Period”), the stock options may be exercised during a period of four years (“Exercise Period”), which is during the years 2021 to 2024.*

*The exercise price of the stock options handed over within the framework of the new LTIP will be the greater of the following values: (i) the price of the Company shares on the date of the IPO, which is 15.50 euros per share; or (ii) the price of the Company shares on the Concession Date (“Exercise Price”).*

*Each stock option will give the right to receive the increased value of an equivalent number of shares in Parques Reunidos, taking as reference the quoted market price of the shares in Parques Reunidos at the exercise date of the options ("**Reference Value**").*

*The stock options will be settled in shares in Parques Reunidos. In accordance with the liquidation mechanism of the New LTIP, the number of shares to be granted will be determined by dividing: (i) the return obtained at the exercise of options, equivalent to the positive difference between the Reference Value and the Exercise Price (intrinsic value), by (ii) the Reference Value.*

*The General Shareholders Meeting must approve the implementation of this scheme to the CEO, including the number of stock options to be granted, the exercise price, the reference value and the exercise period within the terms and as set out in article 219 of the Corporate Act."*

An amendment is proposed to section "6.3 *Remuneration Policy In-force Period*", which will have the following text:

*"This Remuneration Policy shall remain valid for the three financial years following that in which it was approved by the then sole shareholder of the Company.*

*Notwithstanding, the Shareholder Meeting of Parques Reunidos could amend, modify or substitute the present Remuneration Policy at any time in accordance with the procedures established.*

*This text of the Remuneration Policy includes the amendments approved by the General Shareholders' Meetings of 16 March 2017 and 21 March 2018."*

The other sections of the Remuneration Policy remained unchanged, except for matters regarding possible adjustments of dates or paragraph numbering.

#### **4. CONCLUSIONS**

The Parques Reunidos Board of Directors considers that the remuneration for the members set out in this Remuneration Policy, after the proposed amendment by the General Shareholders' Meeting, has a reasonable proportion of importance of the Company, its current financial situation, and the market standards of comparable companies. Likewise, the remuneration system is oriented toward promoting the growth, profitability, and long-term sustainability of



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

the Company, and includes the necessary precautions for avoiding the excessive assumption of risks and remuneration for unfavorable results.

Madrid, 7 February 2018.

**REPORT ISSUED BY THE BOARD OF DIRECTORS OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN CONNECTION WITH THE PROPOSED AMENDMENT OF THE BYLAWS REFERRED TO IN ITEM ELEVENTH OF THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A., TO BE HELD ON 21 MARCH 2018 AND 22 MARCH 2018, ON FIRST AND SECOND CALL, RESPECTIVELY**

The Board of Directors of Parques Reunidos Servicios Centrales, S.A. (“**Parques Reunidos**” or the “**Company**”) pursuant to article 286 of the Spanish Companies Act, explains and justifies the proposed amendment and includes the entire text of the proposed bylaws amendment.

The Board of Directors, after the favourable report of the Audit and Control Committee, proposes to the General Meeting the amendment of a series of articles of the Bylaws and the inclusion of a transitory provision aimed at (i) improving comparisons with the financial statements of competitors and optimizing the management of certain obligations of the Company; and (ii) incorporating certain provisions in line with the market practice of a significant number of listed companies in Spain which will serve to facilitate and optimize the organization and development of the General Shareholders Meetings.

For these reasons, it is considered appropriate to propose to the General Shareholders Meeting the amendment of the following articles of the bylaws: articles 4 and 41 (“Term of Company, commencement of operations and financial year” y “Preparation and verification of the annual accounts”) and article 18 (“Entitlement to attend”). Furthermore, in connection with the amendments of articles 4 and 41, it is proposed to introduce a transitory provision in the Bylaws.

The proposed amendments are those reported below:

**1. Amendment of articles 4th y 41th and introduction of a transitory provision:**

The amendment consists of changing the end of the financial year to 31 December of each year for the purposes of matching the financial year to the calendar year. The amendment of the end date of the financial year aims, among others, to align the publication of the Company’s financial results with that of the majority of listed companies in Spain, thus

improving the comparisons of the financial statements with that of the companies operating in the same sector of activity as that of the Company.

In addition, given that the commercial legislation prohibits the financial year from having a longer duration than one year, the proposal for the amendment of the end of the financial year to 31 December requires, for the proper implementation from a commercial law perspective, to introduce a transitory provision, setting, with an exceptional and transitional nature, a financial year with an irregular term stating on 1 October 2018 and ending on 31 December 2018, in such a way that the 2019 and the following financial years may match the calendar year. Consequently, the Company will prepare and make available to the shareholders, in due course, the following financial information:

- The Company shall prepare the audited individual and consolidated annual accounts for the group of companies of which the Company is the parent Company, as of 30 September 2018, in which it will incorporate the financial statements corresponding to its subsidiaries, for the period from 1 October 2017 and 30 September 2018.
- The Company shall prepare individual and consolidated annual accounts for the group of companies of which the Company is the parent Company, as of 31 December 2018, in which it will incorporate the financial statements corresponding to its subsidiaries, for the period from 1 October 2018 and 31 December 2018.

The full articles shall read as follows:

*“Article 4.- Term of Company, commencement of operations and financial year*

- 1. The Company will have an indefinite term.*
- 2. The Company commenced operations on the date of execution of the deed of establishment, i.e., 23 November 2006.*
- 3. The financial year will commence on 1 January and end on 31 December of each year.”*

*“Article 41.- Preparation and verification of the annual accounts*

- 1. The financial year will begin on 1 January and end on 31 December of each year.*

2. *Within three months from the end of the financial year, the Board of Directors, in accordance with the structure, principles and guidelines contained in the applicable regulations, will prepare and sign the annual accounts, the management report and the proposal for application of results and, if applicable, the consolidated annual accounts and management report. The annual accounts and the management report must be signed by all of the directors. If the signature of any director is missing, this fact will be indicated on each of the documents from which it is missing, with an express statement of the reason.*
3. *The annual accounts and the management report will be reviewed by the statutory auditors on the terms provided by law.”*

The current transitional provision shall be substituted by the following text:

*“Transitional provision*

*As an exception to the provision of articles 4.3 and 41.1 of the Bylaws, the financial year beginning on 1 October 2017 shall end on 30 September 2018. Likewise, a financial year with an irregular term is established, which shall commence on 1 October 2018 and end on 31 December 2018.”*

## **2. Amendment of article 18th:**

The amendment consists of the introduction of a provision by virtue of which, the holders of three hundred or more shares registered in their name in the corresponding registry of book entries shall be entitled to assist to both ordinary and extraordinary General Meetings.

Such amendment, in line with the provisions of article 521 bis of the Spanish Companies Act, aims to adjust the regulation of the right of attendance to the General Shareholders Meeting of the Company to the provisions of the internal regulations of a representative number of listed companies in Spain, also considering the composition of the shareholder base of the Company (mainly comprised of institutional investors).

In this sense, the percentage of listed companies that require a minimum number of shares to attend the General Meeting was 43,8% in 2016. Such percentage rises 57,1% in connection



with companies of the Ibex 35<sup>1</sup>. Likewise, this amendment helps to simplify and optimize the organization, management and development of the General meeting of the Company.

Such amendment is completed with the proposal included in the item Twelfth of the agenda of this ordinary General Meeting, which aims to introduce the same provision in the Regulations of the General Shareholders Meeting of the Company.

The full article shall read as follows:

*“Article 18.- Entitlement to attend*

*1. The holders of 300 or more shares will be entitled to attend the General Meetings, both ordinary and extraordinary meetings. The holders of lower numbers of shares may grant a proxy to another person with the right to attend, or pool together with other shareholders who are in the same situation, until they reach at least that number, appointing a representative from amongst themselves. The group must be formed specifically for each general meeting of shareholders and be recorded in writing.*

*2. In addition to the provisions of the preceding paragraph, in order to attend the General Meeting it will be required that the shareholder have registered ownership of the shares in the corresponding book entry records, five calendar days in advance of the date the Meeting is to be held, and be in possession of the corresponding attendance card or document that, in accordance with law, evidences the shareholder's status as such, which will indicate the number, class and series of shares owned by the shareholder, as well as the number of votes it can cast”*

Madrid, 7 February 2018

---

<sup>1</sup> Corporate Governance Report of entities with securities admitted to trading on regulated markets for the financial year 2016, published by the Spanish National Securities Market Commission (<http://cnmv.es/portal/Publicaciones/PublicacionesGN.aspx?id=21>)



*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

**REPORT ISSUED BY THE BOARD OF DIRECTORS OF PARQUES REUNIDOS  
SERVICIOS CENTRALES, S.A. EXPLAINING THE PROPOSAL FOR THE  
AMENDMENT OF THE REGULATIONS OF THE GENERAL MEETING  
REFERRED TO IN ITEM TWELFTH OF THE AGENDA OF THE GENERAL  
SHAREHOLDERS MEETING OF PARQUES REUNIDOS SERVICIOS  
CENTRALES, S.A., TO BE HELD ON 21 MARCH 2018 AND 22 MARCH 2018, ON  
FIRST AND SECOND CALL, RESPECTIVELY**

The Board of Directors of Parques Reunidos Servicios Centrales, S.A. (“**Parques Reunidos**” or the “**Company**”) explains and justifies the proposed amendment of the Regulations of the General Shareholders Meeting which is submitted for the approval of the ordinary General Shareholders Meeting to be held on 21 and 22 March 2018, on first and second call, respectively.

The Board of Directors, after the favorable report of the Audit and Control Committee, proposes to the General Meeting the amendment of the article 11 of the Regulations of the General Shareholders Meeting. The amendment results directly from the amendments of the bylaws proposed to the ordinary General Shareholders Meeting of the Company and the necessity to adapt the text of this Regulation in accordance with the potential new drafting of the Bylaws.

It is the aim of this Board to keep the Regulations of the General Meeting updated, which purpose is to determine the principles of action of the General Shareholders Meeting of the Company and the basic rules for its development, to ensure the shareholders’ rights and the informational transparency. As such, the amendment of the Regulations of the General Meeting is deemed appropriate.

**1. AMENDMENT TO ARTICLE 11:**

The amendment consists of the introduction of a provision in the Regulations of the General Shareholders Meeting by virtue of which, the holders of three hundred or more shares registered in their name in the corresponding registry of book entries shall be entitled to assist to both ordinary and extraordinary General Meetings.

Such amendment, in line with the provisions of article 521 bis of the Spanish Companies Act, aims to adjust the regulation of the right of attendance to the General Shareholders Meeting of the Company to the provisions of the internal regulations of a representative number of listed companies in Spain, also considering the composition of the shareholder base of the Company (mainly comprised of institutional investors).

In this sense, the percentage of listed companies that require a minimum number of shares to attend the General Meeting was 43,8% in 2016. Such percentage rises 57,1% in connection with companies of the Ibex 35<sup>1</sup>. Likewise, this amendment helps to simplify and optimize the organization, management and development of the General meeting of the Company.

As indicated above, this amendment results directly from the proposed resolution included as item 11.2 of this ordinary General Meeting's agenda, which aims to introduce the same provision in the Bylaws of the Company.

El artículo completo quedará redactado como sigue:

*“Article 11. Right to attend*

- 1. The holders of 300 or more shares will be entitled to attend the General Meetings, both ordinary and extraordinary meetings. The holders of lower numbers of shares may grant a proxy to another person with the right to attend, or pool together with other shareholders who are in the same situation, until they reach at least that number, appointing a representative from amongst themselves. The group must be formed specifically for each general meeting of shareholders and be recorded in writing.*

*In addition to the provisions of the preceding paragraph, in order to attend the General Meeting it will be required that the shareholder have registered ownership of the shares in the corresponding book entry records, five calendar days in advance of the date the Meeting is to be held, and be in possession of the corresponding attendance card or document that, in accordance with law, evidences the shareholder's status as such, which will indicate the number, class*

---

<sup>1</sup> Corporate Governance Report of entities with securities admitted to trading on regulated markets for the financial year 2016, published by the Spanish National Securities Market Commission (<http://cnmv.es/portal/Publicaciones/PublicacionesGN.aspx?id=21>)

*and series of shares owned by the shareholder, as well as the number of votes it can cast*

- 2. Additionally, in order to attend the General Meeting of shareholders, shareholders must have the appropriate attendance card, a certificate issued by the appropriate registrar or a legal document certifying that they are shareholders.*

*The attendance cards shall be issued, at the Company's request, in the shareholder's name, either directly by the Company itself or by the registrars, and may be used by shareholders to appoint a proxy for the General Meeting of shareholders in question.*

*The Company may prescribe the format of the attendance card to be issued by the registrars in the shareholders' name, so as to ensure that the cards are uniform and include a barcode or other machine-readable code to facilitate the keeping of computer records of attendance, and also the formula to be used for proxy appointments.*

- 3. Shareholders who attend the General Meeting of shareholders in person or by proxy at the place and on the day of the meeting shall present their attendance card, as provided in these Regulations.*
- 4. Shareholders who wish to vote remotely shall prove their identity and shareholder status in the manner specified by the Board of Directors in the notice of meeting."*

Madrid, 7 February 2018