

ANNUAL REPORT REGARDING THE REMUNERATION OF DIRECTORS OF LISTED COMPANIES

ISSUER'S PARTICULARS

END OF RELATIVE FINANCIAL YEAR

31/12/2015

**Tax I.D. Number
(C.I.F.) A83246314**

Corporate name:

BOLSAS Y MERCADOS ESPAÑOLES, SOCIEDAD HOLDING DE MERCADOS Y SISTEMAS FINANCIEROS, S.A.

Registered office:

PLAZA DE LA LEALTAD, 1 (MADRID)

ANNUAL REPORT REGARDING THE REMUNERATION OF DIRECTORS OF LISTED COMPANIES

A. THE COMPANY'S REMUNERATION POLICY FOR THE CURRENT YEAR.

A.1 Explain the company's remuneration policy. This section should include information regarding:

- **General principles and fundamental bases of the remuneration policy.**
- **Most significant changes made to the remuneration policy with regards to that applied during the previous year, as well as the amendments made during the year to the conditions for exercising the previously awarded options.**
- **Criteria used and composition of the groups of comparable companies whose remuneration policies have been examined in order to establish the company's remuneration policy.**
- **Relative importance of the variable remuneration components compared to the fixed ones, and criteria followed to determine the different components of the directors' remuneration package (*remuneration mix*).**

| Explain the Directors' remuneration policy |
|---|
| <p><u>i) General principles and fundamental bases of the remuneration policy:</u></p> <p>The remuneration of the Directors of Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. (hereinafter, "BME" or "the Company") is determined by taking into consideration that established in (i) the legislation applicable to capital companies, specifically Royal Legislative Decree 1/2010, of 2 July, approving the revised text of the <i>Ley de Sociedades de Capital</i> (hereinafter, "Companies Act"); (ii) the Company's Articles of Association and Board of Directors' Regulations; and (iii) the resolutions adopted by the General Shareholders' Meeting (hereinafter, "the Meeting" or "General Meeting").</p> <p>Additionally, BME takes into account the good corporate governance recommendations and best market practices when determining the Directors' Remuneration Policy (hereinafter, "the Remuneration Policy" or "the Policy").</p> <p>Taking into consideration the foregoing, the general principles and fundamental bases on which the Remuneration Policy established for BME's Directors is based are as follows:</p> <ul style="list-style-type: none"> • Transparency of information on Directors' remuneration. • Reasonable relationship with the Company's importance, its financial position and the market standards of similar companies. • Focused on promoting long-term return and sustainability for the Company. • For executive Directors, the remuneration structure shows a balanced and efficient relationship between fixed and variable components, with an appropriate proportion of variable components linked to the delivery of shares of the Company. <p>Article 40 of the Articles of Association establishes that the position of Director is remunerated and determines the remuneration systems applicable to Directors in accordance with their status.</p> <p><u>i.a) Remuneration of Directors acting as such.</u></p> <p>In accordance with article 40 of the Articles of Association, the remuneration of Directors acting as such shall consist of a fixed sum and the relevant fees for attending meetings, without prejudice to the reimbursement of any expenses duly accounted for that Directors may incur when attending meetings.</p> <p>Following the recommendations from the Good Governance Code of listed companies from the CNMV (hereinafter, the Good Governance Code), the Directors acting as such do not have variable remuneration systems.</p> |

The General Shareholders' Meeting establishes the maximum amount of annual remuneration to be received by Directors acting as such. Moreover, the Board of Directors distributes this remuneration among its members, on the basis of the type of Director and the offices, functions and commitment of each of them on the Board and the Board Committees.

i.b) Remuneration of Directors with executive functions.

Article 40 of the Articles of Association stipulates that Directors who have executive functions within the Company may receive other remuneration apart from that to which they are entitled as Director based on the aforementioned executive functions and, as appropriate, on service provision, senior management or similar contracts that may be entered into by the Company and such Directors, and may consist of fixed and/or variable remuneration, allowances, pensions or compensation of any kind.

In addition, the Articles of Association stipulate that these Directors may be remunerated by means of the delivery of shares or share option rights or any system of remuneration linked to share value, subject to the adoption of a shareholders' resolution that must contain the particulars required by law.

In relation to this provision of the Articles of Association and in accordance with the Remuneration Policy, the remuneration of the Chairman of the Board of Directors is comprised of the following elements: (i) fixed remuneration, (ii) annual variable remuneration in cash, (iii) medium and long-term variable remuneration linked to the delivery of the Company's shares, (iv) rights accumulated in the savings plan described in section A.5 of this Report, and (v) severance pay under certain circumstances.

Remuneration components in the case of Joan Hortalá i Arau, who carries out executive functions at Sociedad Rectora de la Bolsa de Valores de Barcelona, S.A.U., is explained in section A.12. Mr. Hortalá i Arau is also included among the beneficiaries of the medium-term variable remuneration Programme designed for the management team of BME and its subsidiaries, which is currently in force and described in section A.4 of this Report.

ii) Most significant changes made to the remuneration policy:

In accordance with the provisions of article 529 novodecies of the Companies Act and the transitory provision of Law 31/2014, amending the Companies Act to improve corporate governance, the Directors' Remuneration Policy for 2016, 2017 and 2018 was included in the Directors' Remuneration Report corresponding to 2014, which was voted on favourably by the General Shareholders' Meeting held on 30 April 2015.

The Remuneration Policy of the members of the Board of Directors did not undergo any changes in 2016 with regards to remuneration components to be received by Directors both acting as such and when carrying out executive functions at the Company.

The above notwithstanding, following the approval on 18 February 2015 by the Board of Directors of the Spanish National Securities Commission (Comisión Nacional del Mercado de Valores or the "CNMV") of the Good Governance Code, which deepens in the recommendations regarding Director remuneration, the Appointments and Remuneration Committee carried out a thorough review of the Directors' Remuneration Policy included in the Annual report on the remuneration of Directors for 2014. To help the Company comply with the commitment undertaken to carry out appropriate monitoring of best corporate governance practices, the Appointments and Remuneration Committee will submit the proposal to amend the aforementioned Directors' Remuneration Policy to the Board of Directors, a proposal which the Board of Directors will submit to the same Ordinary General Shareholders' Meeting in which this report is put to the vote.

As has been indicated above, the Appointments and Remuneration Committee's proposal shall not affect the remuneration components to be paid to the Directors acting either as such or due to the executive duties they undertake in the Company.

The amendments that are intended to be included in the Remunerations Policy affect:

- the remuneration of the Directors acting as such, to the extent that there is a proposal to update

the amount of the fees for attending the meetings of the Board of Directors and Delegate Committees, which entails the need to increase the maximum amount of the Directors' annual remuneration approved by the Ordinary General Shareholders' Meeting held on 30 April 2015.

- the design of the system for determining the Chairman's ordinary variable remuneration in cash. Specifically, it will be proposed to replace the current system for determining the Chairman's ordinary variable remuneration, which directly depended on the level of compliance with the Company's budget, by a system that will be taken into account the compliance with a number of quantitative and qualitative variables (set out in section A.4 of this Report), in line with the recommendations regarding Director remuneration contained in the Good Governance Code.

The remaining components of remuneration of Directors, both in their condition as such, and as executive Directors, are unchanged.

The amendments to be proposed, should the Remuneration Policy be approved by the Ordinary General Shareholders' Meeting, will affect the Directors' attendance fees with effect from 1 January 2016 and the Chairman's ordinary variable remuneration corresponding to 2016.

iii) Criteria used to establish the Company's remuneration policy and remuneration mix:

The criteria followed to determine the remuneration structure of the Directors acting as such are as follows:

- Compensate based on corporate governance standards and market circumstances, bearing in mind the Company's nature and activity.
- Compensate in accordance with the positions and responsibilities assumed on the Board and its delegate bodies.
- Compensate the effective commitment to the position.
- Ensure remuneration does not affect objectivity in defending the Company's interests.

When compensating the Directors' executive functions, the purpose of the Remuneration Policy is to set up competitive remuneration packages that attract and retain highly distinguished professionals, while at the same time establish a stable link and long-term commitment over time between remuneration, results, shareholders' interests and risks assumed.

The Policy also establishes a suitable and proportionate combination between fixed and variable remuneration and, within the latter, a balanced and efficient relationship between the remuneration received in cash, or ordinary variable remuneration, and that linked to the delivery of the Company's shares. Moreover, following best practices in matters of good corporate governance, a significant part of the variable component of the Chairman's remuneration is deferred over time, being derived from medium and long-term incentive plans.

A.2 Information regarding the preparatory work and decision-making process followed to determine the remuneration policy and the role played, where appropriate, by the Remuneration Committee and other supervisory bodies when establishing the remuneration policy. This information should include, where appropriate, the mandate and composition of the Remuneration Committee and the identity of the external advisers whose services have been used to define the remuneration policy. It shall also provide the position of the directors who, if any, have been involved in establishing the remuneration policy.

Explain the process for determining the remuneration policy

By virtue of that established in articles 529 quidecimas of the Companies Act and 20.2.i) of the Board of Directors' Regulations, the Appointments and Remuneration Committee is responsible for proposing to the Board of Directors the Directors' Remuneration Policy, as well as the individual

remuneration and other contractual conditions of the executive Directors.

As explained in section A.1 of this Report, as a result of the publishing of the Good Governance Code, which deals with remuneration for Directors in its recommendations 56 to 64, the Appointments and Remuneration Committee, in successive meetings in 2015 and 2016, has undertaken a thorough and detailed analysis of the Directors' Remuneration Policy for 2016, 2017 and 2018, which is incorporated into the Annual report on the remuneration of Directors for 2014, and of its degree of compliance with the aforementioned recommendations.

Within the framework of this analysis, the Appointments and Remuneration Committee has concluded that the remuneration components received by the Directors, both acting as such and when performing their executive duties in the Company, set out in the Annual report on the remuneration of Directors for 2014, are appropriate in terms of rewarding the dedication and responsibility of the Directors.

Regardless of the foregoing, the Appointments and Remuneration Committee has deemed it convenient to update the amount for attendance fees, which entails the need to increase the maximum amount of the Directors' annual remuneration, and amend the system for determining the Chairman's ordinary variable remuneration.

In this regard, the Appointments and Remuneration Committee plans to raise to the Board of Directors the proposal to amend the aforementioned Directors' Remuneration Policy, proposal that the Board of Directors shall submit to the Ordinary General Shareholders' Meeting.

As of the date of this Report, the Appointments and Remuneration Committee was composed of the following Directors:

| Position | Name | Type | Date of first appointment as Director | Date term of office is due to expire |
|----------|---------------------------|-------------------------|---------------------------------------|--------------------------------------|
| Chairman | Manuel Olivencia Ruiz | Independent | 5 June 2006 | 30 April 2018 |
| Member | Álvaro Cuervo García | Independent | 5 June 2006 | 30 April 2018 |
| Member | Carlos Fernández González | Other external Director | 25 March 2014 | 30 April 2018 |

When preparing and defining the Remuneration Policy for the members of the Board of Directors described in section A.1, the external advisory services of J&A Garrigues, S.L.P. were used to prepare this Report and design the new ordinary variable remuneration in cash system for the Chairman.

- A.3 Indicate the amount and nature of the fixed components, with a breakdown, where relevant, of the remuneration for executive directors for performing their senior management duties, the additional remuneration as chairman or member of any of the board's committees, the fees for attending the meetings of the board and its committees and any other fixed remuneration as director, as well as an estimate of the annual fixed remuneration to which they give rise. Identify other benefits that are not paid in cash and the fundamental parameters on which they are granted.**

Explain the fixed components of Directors' remuneration

Within the framework of the proposal raised to the Board of Directors to approve a new Directors' Remuneration Policy, the Appointments and Remuneration Committee, at its meetings held on 27 January, 18 and 25 February 2016, analysed the amount of remuneration to be paid to the Directors in 2016, both in their condition as such and for their executive functions in the Company.

Proposed remuneration of Directors in their condition as such

The individual remuneration to be received by the Directors in their condition as such in 2016 as stipulated in the Articles of Association will be, where applicable, as follows:

- Fixed remuneration per Director: €30,000, that Directors shall receive provided they have attended at least eight meetings of the Board of Directors over the course of the year; and
- Attendance fees for the Directors for attending each of the Board of Directors, Executive Committee, Audit Committee, Appointments and Remuneration Committee and Markets and Systems Operating Procedures Committee meetings: €1,500, except in the case of the Chairman of each body, who shall receive €3,000.

As indicated in the above sections A.1 and A.2, the amount of the attendance fees for the Directors is one of the amendments that is incorporated into the Directors' Remuneration Policy which the Appointments and Remuneration Committee plans to raise to the Board of Directors.

This update to the amount of the fees leads to the need to increase the maximum amount of the Directors' annual remuneration agreed by the Ordinary General Shareholders' Meeting held on 30 April 2015, which amounted to €1,000,000. As a result, the maximum amount of annual remuneration to be paid to all Directors in their condition as such for 2016 and thereafter, which the Board of Directors plans to propose to the Meeting for its approval for the purposes of articles 217, section .3, and 529 septdecies, section 1, of the Companies Act, amounts to €1,200,000.

If the ordinary General Shareholders' Meeting does not approve the Directors' Remuneration Policy proposed by the Board of Directors, the amount of the Directors' attendance fees shall be that included in the Directors' Remuneration Policy for 2016, 2017 and 2018 incorporated into the Annual report on the remuneration of Directors for 2014.

In the case of Board members who attend all meetings initially established in the meeting calendar approved by the Board of Directors at its meeting on 23 December 2015, i.e. twelve meetings, the maximum amount of remuneration as Board members would amount to €48,000 per year (€30,000 in fixed remuneration and €18,000 in attendance fees).

The fees earned for attending any Board Committee meetings of which they are a member must be added this this amount, where applicable.

Proposed fixed remuneration of the Chairman based on his duties carried out as Chairman of the Board of Directors and first managing director of the Company.

With regard to the fixed remuneration to be paid to the Chairman based on his duties carried out as Chairman of the Board of Directors and first managing director of the Company and for all activities carried out at BME Group companies, the Appointments and Remuneration Committee has proposed to the Board of Directors that, for 2016, this amounts to €732,219, the same amount received by the Chairman in 2013, 2014 and 2015.

Any attendance fees earned for attending Board of Directors and Executive Committee meetings must be added this this amount, if applicable.

The Chairman's maximum annual fixed remuneration would be composed of fixed remuneration based on his duties carried out as Chairman of the Board of Directors and first managing director of the Company and the attendance fees for Board of Directors and Executive Committee meetings which he chairs, in accordance with the following terms:

| | |
|--|---------|
| - Fixed remuneration based on executive functions | 732,319 |
| - Attendance fees for Board of Directors meetings | 36,000 |
| - Attendance fees for Executive Committee meetings | 33,000 |
| - TOTAL | 801,319 |

Attendance fees for Board of Directors and Executive Committee meeting were calculated taking into

account that the Chairman will attend all twelve meetings initially set by the Board of Directors and the eleven Executive Committee meetings, and that the Chairman's attendance fees amount to €3,000.

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

In particular:

- Identify each remuneration plan of which the directors are beneficiaries, their scope, approval date, implementation date, validity period and main characteristics. In the case of plans involving share options or other financial instruments, the general characteristics of the plan should include information regarding the conditions for exercising these options or financial instruments for each plan.
- Indicate any remuneration from profit sharing or bonuses, and the reason for which it was granted.
- Explain the fundamental parameters and grounds for any system of annual bonuses.
- The types of director (executive directors, external proprietary directors, external independent directors and other external directors) who are beneficiaries of remuneration systems or plans incorporating variable remuneration.
- The grounds for these variable remuneration systems or plans, the performance assessment criteria chosen, as well as the assessment components and methods for determining whether the assessment criteria have been met or not, and an estimate of the absolute amount of the variable remuneration resulting from the current remuneration plan, depending on the level of compliance with the assumptions or targets taken as reference.
- Where appropriate, report on the payment deferment or postponement periods established and/or the retention periods for shares or other financial instruments, if any.

Explain the variable components of the remuneration schemes

Variable remuneration of non-executive Directors

The Company's non-executive Directors do not receive any variable remuneration.

Variable remuneration of the Chairman based on his duties carried out as Chairman of the Board of Directors and first managing director of the Company.

As outlined in the above sections A.1 and A.2, the Appointments and Remuneration Committee plans to raise to the Board of Directors, for its submission to the Ordinary General Shareholders' Meeting planned for 2016, the proposal to amend the Directors' Remuneration Policy for 2016, 2017 and 2018, for the purposes of amending the system for determining the Chairman's ordinary variable remuneration.

The new ordinary variable remuneration system seeks to adapt to normal market remuneration practices, with payment linked to the delivery of quantitative and qualitative targets.

The criteria used to determine and calculate the Chairman's annual variable remuneration system are as follows:

- Maintain the maximum limit on annual variable remuneration in the Chairman's fixed remuneration.
- Set the base of the Chairman's variable remuneration for each year as the variable remuneration effectively received in the immediately previous year (i.e. the "target bonus" of the Chairman's variable remuneration for 2016 shall be the variable remuneration effectively received in 2015).
- The metrics for calculating the remuneration and its weighting are as follows:

| Target type | Weighting | Metrics |
|--------------|-----------|---|
| Quantitative | 80% | Annual performance of consolidated EBITDA |
| Qualitative | 20% | Performance of income not linked to volumes. |
| | | Efficiency ratio |
| | | Satisfactory performance of the Chairman's duties |

The evaluation of performance is conducted through the reports on the Chairman's performance and the functioning of the Board of Directors.

80% of the Chairman's variable remuneration will therefore be linked to the performance of the Company's EBITDA compared to the figure for the immediately previous year, increasing or reducing their remuneration by the same amount as the Company's EBITDA increases or decreases compared to the immediately previous year. The remaining 20% shall be linked to the aforementioned qualitative criteria.

To summarise, the ordinary variable remuneration corresponding to 2016 shall be determined in accordance with the following formula:

$$\text{AVR} = \text{Target Bonus} \times \% \text{DAI}$$

Where:

- AVR= Annual variable remuneration in cash to be received by the Chairman.
- Target Bonus = €613,970.
- DAI= Degree of Achievement of the Incentive which shall be calculated as follows:

$$\text{DAI} = 80\% \times \text{DAT}_{\text{EBITDA}} + 20\% \times \text{DAT}_{\text{Qualitative}}$$

- $\text{DAT}_{\text{Qualitative}}$ = Degree of achievement of the qualitative targets.
- $\text{DAT}_{\text{EBITDA}}$ = Degree of achievement of the EBITDA target, in accordance with the following table:

| Performance of consolidated EBITDA | % DAT |
|--|--|
| Performance of EBITDA _n compared to EBITDA _{n-1} | % (EBITDA ₂₀₁₆ / EBITDA ₂₀₁₅) |

If the ordinary General Shareholders' Meeting does not approve the Directors' Remuneration Policy proposed by the Board of Directors, the ordinary annual variable remuneration system shall be that described in the Directors' Remuneration Policy for 2016, 2017 and 2018 incorporated into the Annual report on the remuneration of Directors for 2014.

Medium and long-term remuneration plans that include executive Directors.

Based on that established in article 40 of the Articles of Association, the Executive Directors' Remuneration Policy may include, subject to the agreement of the General Shareholders' Meeting, systems based on the delivery of shares, rights to an option on shares or referenced to share value.

In this regard, the executive Directors Antonio Zoido Martínez and Joan Hortalá i Arau are included among the beneficiaries of the medium-term variable remuneration Programme approved by the ordinary General Shareholders' Meeting held on 30 April 2014.

This programme entailed assigning a number of theoretical units to beneficiaries in 2014, 2015 and 2016, as the basis for calculating the shares to be delivered to the beneficiaries, if appropriate, subject to fulfilment of the plan's objectives in 2017, 2018 and 2019.

The specific number of shares to be delivered shall depend on the performance of the efficiency ratio and the Total Shareholder Return ("TRS") of BME, for compared to the performance of these indicators for another five benchmark companies during the following periods:

- (i) 1 January 2014 to 31 December 2016;
- (ii) 01 January 2015 to 31 December 2017; and
- (iii) 01 January 2016 to 31 December 2018.

The number of shares to deliver shall be calculated by dividing the number of theoretical units assigned in each year into two parts, each being linked to one of the two indicators, and each being multiplied by a factor of 0 to 1.5 according to the BME's final ranking among the benchmarked companies.

The maximum number of BME shares included in the plan is 555,048, representing 0.66% of BME's share capital, of which a maximum of 79,992 shares will be granted to Antonio Zoido Martínez and 6,894 shares to Joan Hortalá i Arau, as executive Directors.

Since the Programme is designed to include units granted over several years, any shares that may be received by beneficiaries in accordance with this programme will also be delivered by the Company over several years. The programme therefore includes a mechanism so that shares are not received all at once by beneficiaries, but rather over a prolonged and extensive period of time.

Programme beneficiaries may not carry out, either directly or indirectly, any hedging transactions on the value of any shares they may receive under such programme.

At the date of this Report, the Appointments and Remuneration Committee has not adopted the resolutions relating to the allocation of the theoretical units convertible into shares corresponding to the third and final validity period of the medium-term variable remuneration programme, from 1 January 2016 to 31 December 2018.

A.5 Explain the main characteristics of the long-term savings plans, including retirement and any other survivor benefits, partially or fully financed by the company, whether provided internally or externally, with an estimate of their amount or equivalent annual cost, indicating the type of plan, if it is a defined contribution or benefit, the conditions for the consolidation of the economic rights in favour of the directors and its compatibility with any type of compensation for early termination or discontinuance of the contractual relationship between the company and the director.

Also indicate the contributions on behalf of the director to defined contribution pension plans; or the increase in the directors' consolidated rights, when dealing with contributions to defined benefit plans.

| Explain any long-term savings schemes |
|--|
|--|

| |
|--|
| <p>Directors do not receive any type of remuneration other than fixed remuneration and attendance fees, and the Company does not make any contributions to pension plans or any other long-term savings plans.</p> |
|--|

| |
|---|
| <p>As stipulated in article 40 of the Articles of Association and based on the duties that the Chairman has attributed as Chairman of the Board of Directors and first managing director. the shareholders at the ordinary General Shareholders' Meeting held on 30 April 2008 approved, at the request of the Board of Directors and prior favourable report from the Appointments and Remuneration Committee, the establishment of a pension commitment in cases of death, disability or retirement of the Chairman, a commitment that was outsourced on 18 December 2008 by taking out a specific insurance policy. This pension commitment consisted of a defined contribution insurance policy, in which three annual premiums were paid in 2008, 2009 and 2010.</p> |
|---|

| |
|---|
| <p>In accordance with that established in this resolution, no contributions have been made to this pension commitment since 2011.</p> |
|---|

| |
|--|
| <p>The right to collect any retirement benefits arising from this obligation is incompatible with the right to collect any termination benefits to which Mr. Zoido Martínez may be entitled as a result of ceasing to discharge his duties in the Company, as detailed in section A.7 below.</p> |
|--|

The total amount of the accumulated funds deriving from this insurance policy is detailed in section D.1 a) iii) of this Report.

A.6 Indicate any compensation agreed or paid in the case of terminating their duties as director.

Explain any termination benefits

There are no guarantee or golden parachute clauses in the event of termination of the duties of the Directors acting as such.

A.7 Indicate the conditions that must be respected by the contracts for those exercising senior management duties as executive directors. Among others, report on the duration, limits to the compensation amounts, commitment clauses, notice periods, as well as the payment instead of the aforementioned notice period, and any other clauses relating to golden hellos, as well as indemnity or golden parachute payments due to the early termination or discontinuance of the contractual relationship between the company and the executive director. Include, among others, the non-competition, exclusivity, long-term service or loyalty and post-contractual non-competition agreements.

Explain the conditions of contracts of employment of executive Directors

The Chairman exercises senior management functions at BME as the Chairman of the Board of Directors and first managing director of the Company, and has entered into a service agreement with the Company, the terms and conditions of which were unanimously approved by the Board of Directors, following a report from the Appointments and Remuneration Committee.

The term of this service agreement was conditional on Antonio Zoido Martínez maintaining the position of Chairman.

During the period in which Mr. Zoido holds the post of Chairman he assumes the obligation of not engaging in any activity that may give rise to competition with the Company or any of the companies of its Group, either directly or indirectly, through any persons, companies or investments made in any manner, and must provide his services to the Company and the companies of its Group exclusively and with absolute dedication.

This service provision contract also contains the Chairman's termination conditions agreed by the extraordinary General Shareholders' Meeting held on 5 June 2006, which granted the right to a payment of an amount equivalent to three times the annual fixed remuneration at the moment this termination occurs.

The payment of this amount shall require the Chairman, during a three-year period, to not engage in any activity that may be classed as competition with the Company or any of the companies of its Group, either directly or indirectly, through any persons, companies or investments or in any other manner, and to not hold any post, or be employed or provide services at companies not included in the Company's Group that have an identical or similar corporate purpose or activity as the Company or any of the companies of its Group. Should Mr. Zoido Martínez fail to comply with this non-competition duty during the three years following his termination as Chairman, he will lose his right to the termination benefits mentioned above and, consequently, will be required to return any amount received until this date for this concept.

If the Chairman voluntarily leaves the post, fails to fulfil his duties or if any of the cases needed for BME to be able to take corporate action against him for liability concur, the Chairman shall not receive the aforementioned amount.

Joan Hortalá i Arau does not have any senior management duties at BME. His qualification as executive Director arises from his status as Chairman of Sociedad Rectora de la Bolsa de Valores de Barcelona, S.A.U.

- A.8 Explain any supplementary remuneration accrued by the directors as a reward for any services provided that are different to those inherent to their position.**

| Explain any supplementary remuneration |
|--|
| The Company's Directors did not receive any remuneration for services provided other than that inherent to their position. |

- A.9 Indicate any remuneration in the form of advances, loans and guarantees granted, outlining the interest rate, their essential characteristics and any amounts eventually repaid, as well as the obligations assumed on their behalf by way of security.**

| Explain any advances, loans and guarantees granted |
|---|
| The Company has not granted any advances, loans or guarantees to any members of the Board of Directors. |

- A.10 Explain the main characteristics of remuneration in kind.**

| Explain any remuneration in kind |
|--|
| The Company's Directors did not receive any non-cash remuneration. |

- A.11 Indicate the remuneration accrued by the Director by virtue of payments made by the listed company to another entity in which the Director provides services, when these payments are intended to pay for their services at the company.**

| Explain remuneration accrued by the Director by virtue of payments made by the listed company to another entity at which the Director is employed |
|---|
| The Company's Directors did not accrue any remuneration for this concept since the Company does not make payments to third parties for the purpose of compensating any services provided by its Directors at these companies. |

- A.12 Any remuneration component different to those outlined above, regardless of its nature or the group company that pays it, especially when it is considered a related transaction or its issuance distorts the true and fair view of the total remuneration accrued by the Director.**

| Explain any other compensation |
|--|
| <p>Regardless of the remuneration received as Directors of the Company, three members of the Board of Directors receive remuneration from other Group companies in connection with the positions of Chairman and Directors held at such companies.</p> <p><u>Antonio Zoido Martínez</u></p> <p>Mr. Zoido Martínez is Chairman of the Board of Directors of Sociedad Rectora de la Bolsa de Valores de Madrid, S.A.U. (Bolsa de Madrid) and member of the Board of Directors of Sociedad de Bolsas, S.A., both of which are BME Group companies.</p> <p>Because he belongs to these corporate bodies, Mr. Zoido Martínez shall receive the attendance fees that are agreed annually by the competent bodies of these Companies.</p> <p>In this regard, it has been initially agreed that in 2016, Mr. Zoido Martínez, in his capacity as Chairman of the Board of Directors of Bolsa de Madrid, shall receive €2,200 for each of the Board meetings he attends, and €1,100 for each meeting of the Board of Directors of Sociedad de Bolsas, S.A.</p> <p><u>Carlos Fernández González</u></p> <p>Mr. Fernández González is a member of the Board of Directors of Sociedad Rectora de la Bolsa de Valores de Madrid, S.A.U. and as a result of belonging to this corporate body will receive the</p> |

attendance fees that are annually agreed by the competent body and that shall initially amount to €1,100.

Mr. Fernández González is also the Investor Ombudsmen of Sociedad Rectora de la Bolsa de Valores de Madrid, S.A.U. and will receive annual gross remuneration in the amount of €60,000 for the services provided.

Joan Hortalá i Arau

Mr. Hortalá i Arau is Chairman of the Board of Directors of Sociedad Rectora de la Bolsa de Valores de Barcelona, S.A.U. (Bolsa de Barcelona) and a member of the Board of Directors of Sociedad de Bolsas, S.A., both of which are BME Group companies.

As Chairman of the Board of Directors of Bolsa de Barcelona, Mr. Hortalá i Arau receives the attendance fees agreed upon by the competent body, the amounts of which are expected to be the same as those approved by BME's Board of Directors.

In addition to this amount, as stipulated in article 26 of the Articles of Association of Bolsa de Barcelona, and based on the executive powers attributed in this company, Mr. Hortalá i Arau receives fixed remuneration and variable remuneration, the amounts of which are set annually, based on the same criteria of prudence and moderation that govern the remuneration of the Group's Directors.

Specifically, the amount corresponding to fixed remuneration to be received by Mr. Hortalá i Arau in 2016 shall be the same amount paid in this connection in 2013, 2014 and 2015, i.e. €229,280.

Mr. Hortalá i Arau will also receive variable remuneration which will be linked to the amount received in this connection in 2015 and to the performance of BME's results in 2016.

Accordingly, given that Mr. Hortalá i Arau has, since 21 January 2016, been Chairman of the Board of Directors of Sociedad de Bolsas, S.A., he will receive the attendance fees corresponding to the meetings of this body which are initially expected to amount to €2,200 per meeting.

- A.13 Explain the actions taken by the company with regards to the remuneration system in order to reduce exposure to excessive risks and adjust it to the long-term objectives, values and interests of the company, which shall include, where appropriate, a reference to: measures taken to ensure that the remuneration policy reflects the company's long-term results, measures that establish a suitable balance between the fixed and variable remuneration components, measures taken with regards to the categories of staff whose professional activities have a material impact on the entity's risk profile, recovery formulas or clauses to be able to reclaim the variable components of remuneration based on results when these components have been paid on the basis of data whose inaccuracy has later been manifestly demonstrated and measures taken to avoid conflicts of interest, if any.**

Explain actions taken to reduce risks

The remuneration systems for members of the Board of Directors do not include measures that encourage taking excessive risks by the Company, given that they are limited to attendance fees and fixed remuneration.

The annual variable remuneration of the Chairman based on the duties carried out as Chairman of the Board of Directors and first managing director of the Company and his participation in the medium-term variable remuneration Programme, aimed at members of the management team, including the Company's executive Directors, Antonio Zoido Martínez and Joan Hortalá i Arau, which is described in section A.4, is established based on the Company's performance as a whole.

BME does not engage in lending or investment banking activities. BME does not engage in business activities that entail balance sheet risks associated, for example, with changes in the price of assets, whose volatility could give rise to profits one year and losses the next. Clearing house activities obtain funds from the total volume of instruments arranged to which it provides service and from the balance thereof. This is not an investment activity subject to price volatility.

In the Company's option, the absence of volatility in the Company's results linked the assumption of

balance sheet risks, as a result of the nature of the activities carried out by BME, justifies, in Company view, the fact that the Chairman's variable remuneration is not subject to deferred payments and that there are no clauses established allowing the Company to claim repayment.

The Chairman's remuneration structure is also designed to meet the objectives of creating long-term value, in the interest of the Company and its shareholders, in such a way that:

- The variable components of the remuneration are sufficient flexible to allow its modulation to the point where it is possible for its value to be non-existent. In a scenario where the targets linked to ordinary variable remuneration or to medium and long-term variable remuneration are not achieved, the Chairman shall only receive fixed remuneration.
- There is a suitable balance between the fixed and variable components, consistent with market practice.
- To determine the annual variable remuneration, both quantitative and qualitative metrics are taken into account.
- The medium-term variable remuneration Programme fits into a multi-annual framework given that the measurement period for the targets is three years for each tranche. The Programme also therefore includes a mechanism so that shares are not received all at once by beneficiaries, but rather over a prolonged and extensive period of time.
- The medium-term variable remuneration Programme is fully paid with the Company's shares. This formula links the Directors' remuneration to the interests of the shareholders.

This Programme also establishes that the beneficiaries may not carry out, either directly or indirectly, any hedging transactions on the value of any shares that they may receive under such programme.

The Chairman's remuneration therefore complies the long-term values and interests of the Company.

B. REMUNERATION POLICY PLANNED FOR FUTURE YEARS

REVOKED

C. OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE LAST YEAR.

C.1 Summarise the main characteristics of the structure and components of the remuneration policy applied during the last year, which includes the breakdown of the individual remuneration accrued by each director that is reflected in section C of this report, as well as a summary of the decisions taken by the board to apply these components.

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

In accordance with the provisions of articles 529 septdecies and 529 octodecies of the Companies Act, 40 of the Articles of Association and 30 of the Board of Directors' Regulations, the Board of Directors, at its meeting of 27 May 2015, once the ordinary General Shareholders' Meeting voted in favour of the Directors' Remuneration Report corresponding to 2014, adopted the necessary agreements regarding the establishment of the remuneration of the Directors acting as such and of the Chairman. Summarised below is the implementation in 2015 of the Remuneration Policy approved by the ordinary General Shareholders' Meeting and implemented by the Board of Directors.

Remuneration of Directors acting as such:

The remuneration to be received by Directors in 2015 in connection with fixed annual emoluments and attendance fees was approved under the following terms:

- Fixed amount for each Director: €30,000 euros annually.
- Attendance fees: €1,100 for Directors attending each of the Board of Directors, Executive Committee, Audit Committee, Appointments and Remuneration Committee and Markets and Systems Operating Procedures Committee meetings. The Chairman of each of these bodies received double that amount (i.e., €2,200).

The Chairman's fixed remuneration:

By virtue of the aforementioned Board of Directors agreement, the Chairman received €732,319 in fixed remuneration in 2015.

The Chairman's ordinary variable remuneration in 2015:

The amount of variable remuneration depends on the level of compliance with the Company's budget set for 2015. The system of determining variable remuneration is the same as that approved by the General Meeting in 2008:

| Level of budgetary compliance | Variable remuneration calculated as a percentage of fixed remuneration |
|-------------------------------|--|
| 80% | 20% |
| 90% | 40% |
| 100% | 60% |
| 110% | 80% |
| More than 120% | 100 % |

If the level of budgetary compliance does not reach 80%, the Chairman shall not receive any variable remuneration. If the level of budgetary compliance is between two of the above-mentioned levels, the percentage of fixed remuneration established in the two corresponding levels shall be extrapolated to determine the amount of variable remuneration.

The Board of Directors, at the request of the Appointments and Remuneration Committee, may adjust (upwards or downwards) the results of the aforementioned scale by a maximum of 25%, based on the performance of the EBITDA (Earnings Before, Interest, Taxes, Depreciation and Amortisation), the efficiency ratio and for reasons of efficiency in company management.

In relation to the Chairman's variable remuneration, the Appointments and Remuneration Committee, at its meeting held on 27 January 2016, verified that the level of compliance with the Company's budget for 2015 was 103.6% and that, as a result of directly applying the formula established in the resolution, the Chairman's variable remuneration to be received for 2015 would amount to €492,118.

In this same meeting, the Appointments and Remuneration Committee analysed the comparison of the corresponding variable remuneration received by the Chairman in 2015, which would be a reduction, with regards to that received in 2014, of 19.85% and it was considered that the strict application of the formula for determining the Chairman's variable remuneration did not reflect the earnings obtained by the company in 2015 which amounted to €173,564 thousand.

In this regard, the Appointments and Remuneration Committee reviewed the data on the performance of the efficiency ratio and shareholder return in 2015 compared to that in other international financial markets, with this data indicating that both the company's efficiency ratio and its dividend yield are the best in the sector, which highlights the effectiveness of the management during the year.

Given the above circumstances, the Appointments and Remuneration Committee agreed to propose to the Board of Directors, within the margin conferred on it by the aforementioned agreement of the Board of Directors of 27 May 2015 and the Directors' Remuneration Policy, an upward adjustment in the Chairman's variable remuneration to the amount of €613,970, the same amount as the variable remuneration paid during 2014.

The Board of Directors, at its meeting held on 25 February 2016, after discussing the proposal submitted by the Appointments and Remuneration Committee and considering it to be fair and sensible, unanimously agreed, without the involvement of the Chairman who did not attend this session, to adjust the variable remuneration to €613,970.

Medium and long-term variable remuneration plans established for executive Directors.

The third and final validity period of the Multi-Annual Remuneration Plan in Shares, approved at the ordinary General Shareholders' Meeting held on 28 April 2011, whose settlement shall take place in 2016, expired on 31 December 2015.

At the date of this Report, the Appointments and Remuneration Committee did not have the Total Shareholder Return and efficiency ratio figures for the five companies that form the benchmark group necessary to establish compliance with the targets set in the Plan and, where applicable, the specific number of shares to be received by each of the beneficiaries, including the executive Directors.

The maximum number of shares that may be received by Zoido Martínez and Hortalá i Arau in 2016 through the conversion of the theoretical units corresponding to the third period of the Plan's validity, which were assigned by the Appointments and Remuneration Committee at its meeting held on 19 February 2013, are 19,567 and 2,524 respectively.

With regard to the medium-term variable remuneration plan approved by the ordinary General Shareholders' Meeting held on 30 April 2014, the Appointments and Remuneration Committee, at its meeting held on 24 February 2015, proceeded to assign the theoretical units corresponding to its second validity period, from 1 January 2015 to 31 December 2017, under the following terms:

| | Theoretical units assigned | Maximum number of theoretical shares |
|------------------------|----------------------------|--------------------------------------|
| Antonio Zoido Martínez | 16,845 | 25,267 |
| Joan Hortalá i Arau | 1,371 | 2,056 |

The maximum number of theoretical shares relates to the maximum number of shares that Mr. Zoido Martínez and Mr. Hortalá i Arau may receive in 2018.

D. BREAKDOWN OF THE INDIVIDUAL REMUNERATION RECEIVED BY EACH DIRECTOR

| Name | Type | Accrual period 2015 financial year |
|---|----------------|---|
| Antonio J. Zoido Martínez | Executive | From 01/01/2015 to 31/12/2015 |
| Ignacio Garralda Ruiz de Velasco | Independent | From 01/01/2015 to 31/12/2015 |
| Ms. Margarita Prat Rodrigo | Independent | From 01/01/2015 to 31/12/2015 |
| Manuel Olivencia Ruiz | Independent | From 01/01/2015 to 31/12/2015 |
| Álvaro Cuervo García | Independent | From 01/01/2015 to 31/12/2015 |
| Carlos Fernández González | Other External | From 01/01/2015 to 31/12/2015 |
| Joan Hortalá i Arau | Executive | From 01/01/2015 to 31/12/2015 |
| Karel Lannoo | Independent | From 01/01/2015 to 31/12/2015 |
| Juan March Juan | Proprietary | From 01/01/2015 to 31/12/2015 |
| Santos Martínez-Conde y Gutiérrez-Barquín | Proprietary | From 01/01/2015 to 31/12/2015 |
| Ramiro Mato García-Ansorena | Proprietary | From 01/01/2015 to 31/12/2015 |
| Ms. Rosa María García García | Independent | From 01/01/2015 to 26/01/2015 |

D.1 Complete the following tables regarding the individual remuneration of each director (including remuneration for exercising executive duties) accrued during the year.

a) Remuneration accrued at the reporting Company:

i) Remuneration in cash (in thousands of euros)

| Name | Salaries | Fixed remuneration | Attendance fees | Short-term variable remuneration | Long-term variable remuneration | Remuneration for membership on board committees | Termination benefits | Other components | Total for 2015 | Total for 2014 |
|---|----------|--------------------|-----------------|----------------------------------|---------------------------------|---|----------------------|------------------|----------------|----------------|
| Antonio J. Zoido Martínez | 732 | - | 26 | 614 | - | 24 | - | - | 1.396 | 1.396 |
| Ignacio Garralda Ruiz de Velasco (1) | - | 30 | 10 | - | - | 11 | - | - | 51 | 45 |
| Ms. Margarita Prat Rodrigo | - | 30 | 13 | - | - | 31 | - | - | 74 | 71 |
| Manuel Olivencia Ruiz | - | 30 | 10 | - | - | 24 | - | - | 64 | 56 |
| Álvaro Cuervo García (2) | - | 30 | 13 | - | - | 33 | - | - | 76 | 74 |
| Carlos Fernández González (1) | - | 30 | 13 | - | - | 12 | - | - | 55 | 43 |
| Joan Hortalá i Arau | - | 30 | 13 | - | - | 22 | - | - | 65 | 70 |
| Karel Lannoo | - | 30 | 10 | - | - | 8 | - | - | 48 | 52 |
| Juan March Juan (1) | - | 30 | 11 | - | - | 0 | - | - | 41 | 2 |
| Santos Martínez-Conde y Gutiérrez-Barquín (1) | - | 30 | 12 | - | - | 10 | - | - | 52 | 7 |
| Ramiro Mato García-Ansorena | - | 30 | 12 | - | - | 9 | - | - | 51 | 53 |
| Ms. Rosa María García García (3) | - | - | - | - | - | 1 | - | - | 1 | 47 |

Directors must attend at least eight Board of Directors meetings in order to receive this fixed remuneration. The Chairman's remuneration based on the executive functions attributed thereto included in section "salary" covers fixed remuneration.

(1) Ignacio Garralda Ruiz de Velasco was appointed Director and member of the Executive Committee by the Board of Directors at its meeting held on 27 February 2014; Carlos Fernández González was appointed Director and member of the Appointments and Remuneration Committee by the Board of Directors at its meetings held on 25 March and 30 October 2014, respectively; and Juan March Juan and Santos Martínez-Conde y Gutiérrez-Barquín were appointed Directors and, the latter, member of the Markets and Systems Operating Procedures Committee at its meeting held on 30 October 2014.

(2) Álvaro Cuervo García was appointed member of the Appointments and Remuneration Committee on 27 February 2014.

(3) Rosa María García García stood down as Director and Member of the Appointments and Remuneration Committee on 26 January 2015.

ii) Share-based remuneration schemes

| ANTONIO J. ZOIDO MARTINEZ | | | | | | | | | |
|--|--|------------------------|--------------------|-----------------|-------------------------|------------------------|--------------------|-----------------|--|
| PLURI-ANNUAL VARIABLE REMUNERATION PROGRAMME | | | | | | | | | |
| Implementation date | Options held at the beginning of 2015 | | | | Options offered in 2015 | | | | |
| | No. of options | No. of shares affected | Exercise price (€) | Exercise period | No. of options | No. of shares affected | Exercise price (€) | Exercise period | |
| 28/04/2011 | 0 | 19,567 ⁽¹⁾ | 0,00 | 0 | 0 | 0 | 0,00 | 0 | |
| Conditions: | See section C.1. of this report. (1) The number of shares affected corresponds to the maximum number of theoretical shares to be received, w here applicable, in 2016 as a result of the theoretical units assigned in 2013. Similarly, the maximum number of shares that can be granted to Antonio Zoido Martínez are 56,134, of w hich 30,091 of the Company's shares have already been granted in executing the first and second periods of this Programme. The final number of shares granted, w hich has been calculated in accordance w ith the procedure set out in the General Conditions of the Programme, reducing the number of shares that correspond to him by those that have been necessary to cover the payment of Personal Income Tax, is 15,878 of the Company's shares. | | | | | | | | |

| Shares delivered in 2015 ⁽²⁾ | | | Options exercised in 2015 | | | | Expired options not exercised | Options at end of 2015 | | | |
|--|-------|--------|---|----------------|------------------------|-------------------|-------------------------------|------------------------|------------------------|--------------------|-----------------|
| No. of shares | Price | Amount | Exercise price (€) | No. of options | No. of shares affected | Gross profit (m€) | No. of options | No. of options | No. of shares affected | Exercise price (€) | Exercise period |
| 13.697 | 27,89 | 382 | 0,00 | 0 | 0. | 0 | 0 | 0 | 0 | 0,00 | 0 |
| Other requirements from the financial year: | | | See section C.1. of this report. (2) The number of "shares delivered in 2015" relates to the estimated number of shares to be corresponded to Antonio Zoido Martínez as a result of the expiration of the third period of the Pluri-Annual Variable Remuneration Programme in shares described in section C.1. At the date of this report, the Appointments and Remuneration Committee did not have the information on the performance of the total shareholder return (TSR) and the efficiency ratio of the five companies that form part of the benchmark group necessary to report, as established by the aforementioned General Meeting resolution, on the compliance of the objectives established in the Programme and, w here applicable, the specific number of shares to be received by each of the beneficiaries, including the executive Directors, in the third period of this programme. The amount reflected w as calculated taking into account the market price of BME's share at the close of the market on 24 February 2016, one business day prior to the approval of this report by the Appointments and Remuneration Committee, w hich amounted to €27.89. | | | | | | | | |

| ANTONIO J. ZOIDO MARTINEZ | | | | | | | | | |
|--|--|------------------------|--------------------|-----------------|-------------------------|------------------------|--------------------|-----------------|--|
| PLURI-ANNUAL VARIABLE REMUNERATION PROGRAMME | | | | | | | | | |
| Implementation date | Options held at the beginning of 2015 | | | | Options offered in 2015 | | | | |
| | No. of options | No. of shares affected | Exercise price (€) | Exercise period | No. of options | No. of shares affected | Exercise price (€) | Exercise period | |
| 30/04/2014 | 0 | 26,664 ⁽³⁾ | 0,00 | 0 | 0 | 25,267 ⁽⁴⁾ | 0,00 | 0 | |
| Conditions: | See section A.4. of this report. (3) The number of shares affected corresponds to the maximum number of theoretical shares to be received, w here applicable, in 2017 as a result of the theoretical units assigned in 2014. (4) The number of shares affected corresponds to the maximum number of theoretical shares to be received, w here applicable, in 2018 as a result of the theoretical units assigned in 2015. | | | | | | | | |

| Shares delivered in 2015 | | | Options exercised in 2015 | | | | Expired options not exercised | Options at end of 2015 | | | |
|--|-------|--------|---------------------------|----------------|------------------------|-------------------|-------------------------------|------------------------|------------------------|--------------------|-----------------|
| No. of shares | Price | Amount | Exercise price (€) | No. of options | No. of shares affected | Gross profit (m€) | No. of options | No. of options | No. of shares affected | Exercise price (€) | Exercise period |
| 0 | 0,00 | 0 | 0,00 | 0 | 0. | 0 | 0 | 0 | 51.931 | 0,00 | 0 |
| Other requirements from the financial year: | | | | | | | | | | | |

| JOAN HORTALÁ I ARAU | | | | | | | | |
|--|---|------------------------|--------------------|-----------------|-------------------------|------------------------|--------------------|-----------------|
| PLURI-ANNUAL VARIABLE REMUNERATION PROGRAMME | | | | | | | | |
| Implementation date | Options held at the beginning of 2015 | | | | Options offered in 2015 | | | |
| | No. of options | No. of shares affected | Exercise price (€) | Exercise period | No. of options | No. of shares affected | Exercise price (€) | Exercise period |
| 28/04/2011 | 0 | 2,524 ⁽¹⁾ | 0,00 | 0 | 0 | 0 | 0,00 | 0 |
| Conditions: | See section C.1. of this report. (1) The number of shares affected corresponds to the maximum number of theoretical shares to be received, where applicable, in 2016 as a result of the theoretical units assigned in 2013. Similarly, the maximum number of shares that can be granted to Joan Hortalá i Arau are 7,246 shares, of which, 3,883 of the Company's shares were already delivered in executing the first and second periods of this Programme. The final number of shares granted, which has been calculated in accordance with the procedure set out in the General Conditions of the Programme, reducing the number of shares that correspond to him by those that have been necessary to cover the payment of Personal Income Tax, is 2,124 of the Company's shares. | | | | | | | |

| Shares delivered in 2015 ⁽²⁾ | | | Options exercised in 2015 | | | | Expired options not exercised | Options at end of 2015 | | | |
|--|-------|--------|---|----------------|------------------------|-------------------|-------------------------------|------------------------|------------------------|--------------------|-----------------|
| No. of shares | Price | Amount | Exercise price (€) | No. of options | No. of shares affected | Gross profit (m€) | No. of options | No. of options | No. of shares affected | Exercise price (€) | Exercise period |
| 1.767 | 27,89 | 49 | 0,00 | 0 | 0. | 0 | 0 | 0 | 0 | 0,00 | 0 |
| Other requirements from the financial year: | | | See section C.1. of this report. (2) The number of "shares delivered in 2015" relates to the estimated number of shares to be delivered to Joan Hortalá i Arau as a result of the expiration of the third period of the Pluri-Annual Variable Remuneration Programme in shares described in section C.1. At the date of this report, the Appointments and Remuneration Committee did not have the information on the performance of the total shareholder return (TSR) and the efficiency ratio of the five companies that form part of the benchmark group necessary to report, as established by the aforementioned General Meeting resolution, on the compliance of the objectives established in the Programme and, where applicable, the specific number of shares to be received by each of the beneficiaries, including the executive Directors in the third period of this programme. The amount reflected was calculated taking into account the market price of BME's share at the close of the market on 24 February 2016, one business day prior to the approval of this report by the Appointments and Remuneration Committee, which amounted to €27.89. | | | | | | | | |

| JOAN HORTALÁ I ARAU | | | | | | | | |
|--|--|------------------------|--------------------|-----------------|-------------------------|------------------------|--------------------|-----------------|
| PLURI-ANNUAL VARIABLE REMUNERATION PROGRAMME | | | | | | | | |
| Implementation date | Options held at the beginning of 2015 | | | | Options offered in 2015 | | | |
| | No. of options | No. of shares affected | Exercise price (€) | Exercise period | No. of options | No. of shares affected | Exercise price (€) | Exercise period |
| 30/04/2014 | 0 | 2,287 ⁽³⁾ | 0,00 | 0 | 0 | 2,056 ⁽⁴⁾ | 0,00 | 0 |
| Conditions: | See section A.4. of this report. (3) The number of shares affected corresponds to the maximum number of theoretical shares to be received, where applicable, in 2017 as a result of the theoretical units assigned in 2014. (4) The number of shares affected corresponds to the maximum number of theoretical shares to be received, where applicable, in 2018 as a result of the theoretical units assigned in 2015. | | | | | | | |

| Shares delivered in 2015 | | | Options exercised in 2015 | | | | Expired options not exercised | Options at end of 2015 | | | |
|--|-------|--------|---------------------------|----------------|------------------------|-------------------|-------------------------------|------------------------|------------------------|--------------------|-----------------|
| No. of shares | Price | Amount | Exercise price (€) | No. of options | No. of shares affected | Gross profit (m€) | No. of options | No. of options | No. of shares affected | Exercise price (€) | Exercise period |
| 0 | 0,00 | 0 | 0,00 | 0 | 0. | 0 | 0 | 0 | 4.343 | 0,00 | 0 |
| Other requirements from the financial year: | | | | | | | | | | | |

iii) Long-term savings plans

| Name | Contribution of the company during the year (thousands of €) | | Amount of funds accumulated (thousands of €) | |
|---------------------------|--|------|--|-------|
| | 2015 | 2014 | 2015 | 2014 |
| Antonio J. Zoido Martínez | 0 | 0 | 2,508 | 2,493 |

b) Remuneration accrued by Directors for sitting on the boards of other group companies:

i) Remuneration in cash (in thousands of euros)

| Name | Salaries | Fixed remuneration | Attendance fees | Short-term variable remuneration | Long-term variable remuneration | Remuneration for membership on board committees | Termination benefits | Other components | Total for 2015 | Total for 2014 |
|---------------------------|----------|--------------------|-----------------|----------------------------------|---------------------------------|---|----------------------|------------------|----------------|----------------|
| Antonio J. Zoido Martínez | - | - | 47 | - | - | - | - | - | 47 | 48 |
| Carlos Fernández González | - | - | 12 | - | - | - | - | 60 | 72 | 78 |
| Joan Hortalá i Arau (1) | 229 | - | 36 | 50 | - | - | - | - | 315 | 315 |

(1) The short-term variable remuneration of Joan Hortalá i Arau corresponds to the estimated amount to be received for this item.

c) Summary of remuneration (in thousands of euros)

The summary should include amounts for all remuneration components referred to in the present report accrued by the director, in thousands of euros. For long-term savings schemes, include contributions or amounts allocated to the scheme:

| Name | Total remuneration in cash | Amount of the shares granted (2) | Gross gain on options exercised | Total for 2015 - company | Total remuneration in cash | Amount of the shares delivered | Gross gain on options exercised | Total for 2015 - Group | Total for 2015 | Total for 2014 | Contribution to saving plans in the year |
|---|----------------------------|----------------------------------|---------------------------------|--------------------------|----------------------------|--------------------------------|---------------------------------|------------------------|----------------|----------------------|--|
| Antonio J. Zoido Martínez | 1.396 | 382 | – | 1.778 | 47 | – | – | 47 | 1.825 | 1,980 ⁽³⁾ | – |
| Ignacio Garralda Ruiz de Velasco | 51 | – | – | 51 | – | – | – | – | 51 | 45 | – |
| Ms. Margarita Prat Rodrigo | 74 | – | – | 74 | – | – | – | – | 74 | 71 | – |
| Manuel Olivencia Ruiz | 64 | – | – | 64 | – | – | – | – | 64 | 56 | – |
| Álvaro Cuervo García | 76 | – | – | 76 | – | – | – | – | 76 | 74 | – |
| Carlos Fernández González | 55 | – | – | 55 | 72 | – | – | 72 | 127 | 121 | – |
| Joan Hortalá i Arau | 65 | 49 | – | 114 | 315 | – | – | 315 | 429 | 454 ⁽³⁾ | – |
| Karel Lannoo | 48 | – | – | 48 | – | – | – | – | 48 | 52 | – |
| Juan March Juan | 41 | – | – | 41 | – | – | – | – | 41 | 2 | – |
| Santos Martínez-Conde y Gutiérrez-Barquín | 52 | – | – | 52 | – | – | – | – | 52 | 7 | – |
| Ramiro Mato García-Ansorena | 51 | – | – | 51 | – | – | – | – | 51 | 53 | – |
| Ms. Rosa María García García (1) | 1 | – | – | 1 | – | – | – | – | 1 | 47 | – |
| TOTAL | 1.974 | 431 | 0 | 2.405 | 434 | 0 | 0 | 434 | 2.839 | 2.962 | 0 |

(1) Rosa María García García stood down as Director and Member of the Appointments and Remuneration Committee on 26 January 2015.

(2) "Amount of the shares granted" relates to the value of the estimated number of shares to be corresponded to Antonio Zoido Martínez and Joan Hortalá i Arau as a result of the expiration of the third period of the Pluri-Annual Variable Remuneration Programme in shares described in section C.1, taking into account the market price of BME's shares at the close of the market on 24 February 2015, one business day prior to the approval of this report by the Appointments and Remuneration Committee, which was €27.89.

At the date of this report, the Appointments and Remuneration Committee did not have the information on the performance of the total shareholder return (TSR) and the efficiency ratio of the five companies that form part of the benchmark group necessary to report, as established by the aforementioned General Meeting resolution, on the compliance of the objectives established in the Programme and, where applicable, the specific number of shares to be received by each of the beneficiaries, including the executive Directors in the second period of this Programme.

(3) The total amounts of remuneration for the Directors Antonio J. Zoido Martínez and Joan Hortalá i Arau corresponding to the 2014 financial year have been modified with regard to those appearing in the Annual report on Directors' remuneration for the financial year 2014 after the updating of the unit price of the shares that were delivered to them in execution of the second period of the medium-term remuneration plan approved at the ordinary General Shareholders' Meeting on 28 April 2011. So, the price of €39.57 applied in the Annual report on Directors' remuneration for the financial year 2014 to calculate the shares estimated to be delivered, which stood at 14,499 and 1,871 respectively, and which corresponded to the market price of BME's shares at the close of the market on 25 February 2015 have been recalculated with the unit price of €36.985, equivalent to the market price of BME's shares on the date of their delivery.

D.2 Report on the relationship between the remuneration obtained by the directors and the earnings or other measures of the entity's performance, explaining, where appropriate, how the variations in the company's performance have influenced the variation in the directors' remuneration.

Directors do not receive variable remuneration from the Company, with the exception of that received by the Chairman based on the executive functions attributed thereto.

With regards to the aforementioned variable remuneration of the Chairman corresponding to 2015, in accordance with that established in the Directors' Remuneration Policy for 2016, 2017 and 2018 which is incorporated into the Annual report on the remuneration of Directors for 2014, this has been calculated based on the level of budgetary compliance, which is approved each year by the Company's Board of Directors and sent to the CNMV. Consequently, any changes in the Company's performance will affect the level of compliance with the earnings targets included in the budget and, therefore, directly affect the amount received by the Chairman in variable remuneration.

Executive Directors are also beneficiaries of the medium-term variable remuneration Programme described in section A.4, which depends on the level of compliance with, among other indicators, the Total Shareholder Return, which is affected by the Company's results.

D.3 Report on the results of the advisory vote of the general meeting on the annual report regarding remuneration in the previous year, indicating the number of negative votes that, if any, have been cast:

| | Number | % of total |
|-------------------|------------|------------|
| Votes cast | 37,378,644 | 44.70 |

| | Number | % of votes cast |
|----------------------|------------|-----------------|
| Votes against | 317,774 | 0.84 |
| Votes for | 36,617,911 | 97.28 |
| Abstentions | 442,959 | 1.18 |

The number of 442,959 votes shown in the above table contains the abstentions and blank votes. For the purposes of that provided in article 148 of the Companies Act, it should also be taken into account that 266,706 treasury shares directly held by the Company, equal to 0.32% of the share capital, even though the votes corresponding to these shares were held in abeyance, were calculated for the purpose of establishing the quorum and adopting General Meeting resolutions.

E. OTHER INFORMATION OF INTEREST

If there is any important matter relating to director remuneration that has not been included in the other sections of this report and which is necessary to include to provide a more comprehensive and founded view of the remuneration structure and practices at the company with regards to its directors, explain briefly.

This annual remuneration report was approved by the Company's Board of Directors at its meeting held on 25 February 2016.

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

Yes No