

REPORT OF THE APPOINTMENTS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE ON THE PROPOSAL FOR REELECTION OF NOMINEE DIRECTORS DAVID REGANATO, TIMOTHY LAVELLE MANUEL MARTÍNEZ-FIDALGO VÁZQUEZ AND MASAMPE.S.L.

1. INTRODUCTION

Article 529.i, of the Spanish Corporate Enterprises Law (*Ley de Sociedades de Capital*), relating to appointments and reelections of directors, establishes in section 6:

“The proposal for appointment or re-election of any non-independent director shall be preceded, also, by a report of the appointments and remuneration committee”.

Along the same lines, we find art. 529.quinceies 3.d) of the Spanish Companies Act and article 2 of the Board Regulation of Codere S.A. (“Codere” or “the Company”) establishes that the Board of Directors shall make its proposals for appointment of Directors to the Shareholders’ Meeting and shall make the appropriate appointments by coopting *“at the proposal of the Appointments, Remuneration and Corporate Governance Committee, in the case of Independent Directors, and after a report of the Appointments, Remuneration and Corporate Governance Committee, in the case of other directors”*. Additionally, article 16.2.e. of the Board Regulation which establishes that the reporting on the appointment of non-independent directors for their reelection by the shareholders’ meeting falls within the competence of the Appointments, Remuneration and Corporate Governance Committee.

Pursuant to the aforementioned articles, the Appointments, Remuneration and Corporate Governance Committee issues this report, containing an evaluation of the four nominee directors whose reelection is proposed.

2. SHAREHOLDERS’ AGREEMENT EXECUTED ON APRIL 6 2016 (SHA).

After the restructuring process that took place in Group Codere in 2014, 2015 and 2016, some shareholders executed on April 6 2016, the so-called “Shareholders’ Agreement, to which the Company also adhered.

Said SHA stated in its section 5.3.2. the *“director nomination and co-nomination rights”* corresponding to certain shareholders.

Accordingly, the First Investor Shareholder, Silver Point Capital L.P. has notified on May 19 2020 to the Company, its proposal to re-elect Mr. David A. Reganato and Mr. Timothy P. Lavelle, in connection with its right to nominate 2 members of the Board of Directors (section. 5.3.2.i. SHA).

Additionally, the First Investor Shareholder, together with the Second and Third Investor Shareholders (Abrams Capital and M&G Investments), have notified within May 19 and May 20 2020, their proposal to re-elect Mr. Manuel Martínez-Fidalgo Vázquez, in connection with their right to co-nominate one member of the Board of Directors (section. 5.3.2.iii SHA).

Finally, the Key Executive Parties (as defined in the SHA), Mr. José Antonio Martínez Sampedro, Mr. Luis Javier Martínez Sampedro and Masampe S.L. have notified the Company on May 18, 2020, their

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proposal to re-elect Masampe S.L. as nominee director, and Mr. Pío Cabanillas Alonso as its representative at the Board.

It is therefore appropriate, to analyse the skills, experience and merits of the abovesaid candidates.

3. EVALUATION OF DAVID A. REGANATO.

a) Training and professional experience:

Born on December 4 1979 in New York (USA).

Mr. Reganato has a bachelor's degree in Finance and Accounting from the Stern School of Business, at New York University.

Currently, Mr. Reganato works as a Partner in Silver Point Capital L.P., a company providing advice on investments which he joined in November 2002 and has broad experience as director in the US and Asian gaming market, and the media and medical equipment market.

Before he joined Silver Point Capital L.P., Mr. Reganato worked at the Investment Banking division of Morgan Stanley.

Currently, Mr. Reganato forms part of the Boards of Directors of Codere S.A., Studio City International Holdings Ltd (public company listed in NYSE), Granite Broadcasting LLC, Rotech Healthcare, Inc., Trident Topco LLC and Codere S.A.

b) Evaluation of his performance as Director during his previous term in office in Codere S.A. and availability:

Mr. Reganato was appointed director of Codere S.A. in April 2016. In May that year he joined the Appointments, Remuneration and Corporate Governance Committee as a member. On June 2018, the General Shareholders' Meeting of Codere resolved to re-elect him for the 2 years-term stated in the bylaws.

Since his re-election, Mr. Reganato has attended 32 Board meetings and has delegated and granted a proxy to another external director in 3 meetings. He has also attended most of the meetings of the Appointments, Remuneration and Corporate Governance Committee.

This Committee considers that both the devotion of Mr. Reganato to the discharge of his duties as director of Codere S.A., and his experience and knowledge permit him to adequately perform his functions, contributing to a diverse and balanced composition of the Board.

Additionally, the Committee considers that the candidate has availability enough to perform his duties as Director, since he has attended more than 90% of the Board meetings held in the last two-years term.

c) Appointment and class:

Mr. Reganato was appointed for the first time to member of the Board of Codere S.A. by coopting on

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April 28, 2016, and his appointment was subsequently ratified by the Shareholders' Meeting held on June 30, 2016 and re-elected by the General Shareholders Meeting held on June 27 2018. Accordingly, his term in office will expire on June 27, 2020.

Mr. Reganato has been proposed by the shareholder Silver Point which holds a direct and indirect shareholding in Codere S.A. exceeding 20% of its share capital and he is accordingly a Nominee Director.

d) Suitability:

The Compliance Committee of Codere S.A. has verified the suitability of Mr. Reganato to hold office, ensuring that he meets the requirements established in the internal regulations of the Group, and high ethical standards.

e) Compliance with internal requirements set out in the Directors Selection Policy:

The Committee highly values the profile, skills and experience of the candidate for re-election and has checked that, in accordance with the law, the Directors Selection Policy and other internal regulations of the company, Mr. Reganato is not prohibited from standing for re-election to the Board of Codere S.A.

Additionally, the Committee particularly values, the high degree of knowledge of the gaming market (both traditional and online gaming) that Mr. Reganato adds to the Group, as well as his international experience in said sector and his knowledge in risks management.

4. EVALUATION OF TIMOTHY LAVELLE.

a) Training and professional experience:

Born on April 21 1984 in Kentucky (USA).

Mr. Lavelle has a BBA in Finance and Psychology from the University of Notre Dame.

Currently, Mr. Lavelle works as a Partner in Fairfield Dental Partners. Until 2019 he worked in Silver Point Capital L.P., (specialized in Special Situations Investments) a company providing advice on investments which he joined in 2008 and has broad experience as director in the gaming market, real state and medical equipment market.

Before he joined Silver Point Capital L.P., Mr. Lavelle worked at the Investment Banking division of Credit Suisse Securities LLC.

Currently, Mr. Lavelle forms part of the Boards of Directors of Codere S.A. (since 2016), Studio City International Holdings Ltd (public company listed in NYSE), Rotech Healthcare Holdings Inc. and Trident Topco LLC. Additionally, Mr. Lavelle forms part of the Audit Committee of Codere S.A. and of the Nominating and Corporate Governance Committee of Studio City International Holdings Ltd. as well as the Audit and Remuneration Committee of Rotech Healthcare Holdings.

b) Evaluation of his performance as Director during his previous term in office in Codere S.A.

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and availability:

Mr. Lavelle was appointed director of Codere S.A. in April 2016. In May that year he joined the Audit Committee as a member. On June 2018, the General Shareholders' Meeting of Codere resolved to re-elect him for the 2 years-term stated in the bylaws.

Since said re-election, Mr. Lavelle has attended to all the Board meetings (35) and to all the meetings of the Audit Committee.

This Committee considers that both the devotion of Mr. Lavelle to the discharge of his duties as director of Codere S.A., and his experience and knowledge permit him to adequately perform his functions, contributing to a diverse and balanced composition of the Board.

Additionally, the Committee considers that the candidate has availability enough to perform his duties as Director, since he has attended 100% of the Board meetings held in the last two-years term.

c) Appointment and class:

Mr. Lavelle was appointed for the first time to member of the Board of Codere S.A. by coopting on April 28, 2016, and his appointment was subsequently ratified by the Shareholders' Meeting held on June 30, 2016, and re-elected on June 27 2018. Accordingly, his term in office will expire on June 27, 2020.

Mr. Lavelle has been proposed by the shareholder Silver Point which holds a direct and indirect shareholding in Codere S.A. exceeding 20% of its share capital and he is accordingly a Nominee Director.

d) Suitability:

The Compliance Committee of Codere S.A. has verified the suitability of Timothy Lavelle to hold office, ensuring that he meets the requirements established in the internal regulations of the Group and high ethical standards.

e) Compliance with internal requirements set out in the Directors Selection Policy:

The Committee highly values the profile, skills and experience of the candidate for re-election and has checked that, in accordance with the law, the Directors Selection Policy and other internal regulations of the company, Mr. Lavelle is not prohibited from standing for re-election to the Board of Codere S.A.

Additionally, the Committee particularly values, the high degree of knowledge of the traditional gaming market that Mr. Lavelle adds to the Group, as well as his international experience in said sector and his knowledge in accountability and financing.

5. EVALUATION OF MR. MANUEL MARTÍNEZ-FIDALGO VÁZQUEZ.

a) Training and professional experience:

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Born on December 26 1975, in Oviedo (Spain).

Mr. Manuel Martínez-Fidalgo Vázquez has a bachelor's degree in Economic and Business Science from Oviedo University. He has a master's degree in Business Administration (MBA) from Duke University.

Currently, Mr. Martínez-Fidalgo Vázquez is Managing Director in the financial restructuring department at Houlihan Lokey. For the past seventeen years in Houlihan Lokey Mr. Martínez-Fidalgo Vázquez has participated in a large number of restructuring procedures carried out both in Spain and in other countries.

Before he joined Houlihan Lokey, Mr. Martínez Fidalgo was Associate at Deutsche Bank, having worked also at Merrill Lynch and at Cajastur (currently Liberbank).

b) Evaluation of his performance as Director during his previous term in office in Codere S.A. and availability:

Mr. Manuel Martínez-Fidalgo Vázquez was appointed to director of Codere S.A. in April 2016. In May that year he joined the Compliance Committee as a member. On June 2018, the General Shareholders' Meeting of Codere resolved to re-elect him for the 2 years-term stated in the bylaws.

Since then, Mr. Martínez-Fidalgo Vázquez has attended to all the Board meetings (35) as well as most of the meetings of the Compliance Committee.

This Committee considers that both the devotion of Mr. Martínez-Fidalgo Vázquez to the discharge of his duties as director of Codere S.A., and his experience and knowledge permit him to adequately perform his functions, contributing to a diverse and balanced composition of the Board.

Additionally, the Committee considers that the candidate has availability enough to perform his duties as Director, since he has attended 100% of the Board meetings held in the last two-years term.

c) Appointment and class:

Mr. Martínez-Fidalgo Vázquez was appointed for the first time to member of the Board of Codere S.A. by coopting on April 28, 2016, and his appointment was subsequently ratified by the Shareholders' Meeting held on June 30, 2016 and re-elected on June 27 2018. Accordingly, his term in office will expire on June 27, 2020.

Mr. Martínez-Fidalgo Vázquez was appointed at the proposal of shareholders Silver Point Capital, Abrams Capital Management L.P. and M&G Investments which together hold a direct and indirect significant shareholding in Codere S.A., and he is thus a Nominee Director.

d) Suitability:

The Compliance Committee of Codere S.A. has verified the suitability of Mr. Martínez-Fidalgo Vázquez to hold office, ensuring that he meets the requirements established in the internal regulations of the Group and high ethical standards.

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e) Compliance with internal requirements set out in the Directors Selection Policy:

The Committee highly values the profile, skills and experience of the candidate for re-election and has checked that, in accordance with the law, the Directors Selection Policy and other internal regulations of the company, Mr. Martínez-Fidalgo Vázquez is not prohibited from standing for re-election to the Board of Codere S.A.

Additionally, the Committee particularly values, the high degree of experience Mr. Martínez-Fidalgo in companies that have undertaken financial restructuring in both Spanish and international jurisdictions, his knowledge of the financial markets, as well as his negotiating skills.

6. EVALUATION OF MASAMPE S.L.

In preparing this report for the re-election of Director Masampe S.L., the Committee has taken into account that Masampe S.L. is a significant shareholder of the Company, with a stable stake of 14.063% held directly.

Masampe, S.L. is a Spanish Company, with registered address in Alcobendas (Madrid), La Moraleja, Calle Camino Viejo nº 84, Intergolf 23, with Tax number B79486981, and registered in the Madrid Trade Register, in volume 276, sheet 73, page number M-5566, entry 1. Its corporate purposes includes, among other activities, the coordination of the provision of economic and financial business services.

Masampe, S.L. was appointed Director of Codere, S.A. for the first time on July 28, 1998 and it held the office until June 1999. Later, the General Shareholders' Meeting held on May 7, 2008 re-appointed Masampe S.L. as Director, position which it accepted on November 10, 2009. Since then, it has held the position uninterruptedly.

The General Shareholders' Meeting held on June 25 2014 re-elected Masampe S.L. as Nominee Director, for the six years term that Bylaws stated then.

Masampe, S.L. has been designated at the proposal of the Key Executives Parties (Mr. José Antonio Martínez Sampedro, Mr. Luis Javier Martínez Sampedro and Masampe S.L.) as defined in the Shareholders' Agreement abovesaid, informing that its representative at the Board will be Mr. Pío Cabanillas Alonso, who has held that position for the last four years.

7. EVALUATION OF MR. PIO CABANILLAS ALONSO.

It is also submitted to this Committee, as stated by art. 529.decies par. 7 of the Spanish Companies Act, the proposal that candidate Masampe S.L. makes to nominate Mr. Pío Cabanillas Alonso as its representative at the Board.

a) Training and professional experience:

Born on December 9 1958, in Madrid (Spain).

Mr. Cabanillas Alonso is a graduate in Law from the Universidad Complutense de Madrid, and holds a Master of Arts in Law and Diplomacy, by the Fletcher School of Law and Diplomacy (Tufts-Harvard)

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and a Diploma of Advanced Studies, by the Faculty of Information Sciences of the Universidad Complutense de Madrid.

Currently Mr. Cabanillas is President of PROTV, a communication and branding consultancy company. Previously he has held several senior management positions in other listed companies as Acciona S.A. (Corporate Image and Global Marketing General Manager), Endesa S.A. (Communication General Manager), or Grupo Prisa (Director of Development and International Relations). Additionally, Mr. Cabanillas is experienced in the public sector, having been Spanish Government spokesman, and Lawyer at the Directorate General for Competition at the EU.

He is currently member of the Board of Torreal S.A. and Schindler S.A. (España).

- b) Evaluation of his performance as Director during his previous term in office in Codere S.A. and availability:

Mr. Pío Cabanillas Alonso was appointed as representative of director Masampe S.L. on April 28, 2016.

In May of the same year, he became member of the Compliance Committee and the Appointments, Remuneration and Corporate Governance Committee.

Since then, Mr. Cabanillas Alonso has attended all but one of the meetings of the Board of Directors and has delegated and granted a proxy to another external director in those occasions in which he was not able to attend the meeting. In connection with the Committees in which he takes part of, he has attended all of their meetings since he was appointed.

This Committee considers that the experience and knowledge of Mr. Cabanillas permit him to adequately perform his functions, contributing to a diverse and balanced composition of the Board.

- c) Appointment and class:

Mr. Cabanillas Alonso was appointed for the first time as representative of Director Masampe S.L. on April 28, 2016.

Mr. Cabanillas has been proposed by Director Masampe S.L. which holds a significant shareholding in Codere, S.A. and he is thus a Nominee Director.

- d) Suitability:

The Compliance Committee of Codere S.A. has verified the suitability of Mr. Cabanillas Alonso to hold office, ensuring that he meets the requirements established in the internal regulations of the Group and high ethical standards.

Notwithstanding the above said, this Committee considers that it is necessary to mention the facts that having arisen within 2020, have caused that the Board of Directors requested Masampe S.L. to replace Mr. Cabanillas as its representative at the Board, due to a loss of trust in him. The Board of Directors is convinced that Mr. Cabanillas allowed the attendance or the connection to the Board meeting held on January 14 by teleconference, to a non-authorized person.

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Those facts, that Mr. Cabanillas denies, caused, as referred before, a loss of confidence of the members of the Board in Mr. Cabanillas. Those incidents are seriously enough to be included in this report.

Additionally, they could determine liability of the Director, and could avoid this Committee issuing a favorable report in connection with his suitability as representative of Masampe S.L.

Notwithstanding the above said, this Committee has taken into account that the only person that was identified by all the members of the Board (except Mr. Cabanillas), as a non-authorized person, was Mr. José Antonio Martínez Sampedro, Sole Director of Masampe S.L. According to the external legal advisors, Nominee Directors (and their representatives if they are Companies) may share (in certain circumstances) information they have received at the Board, with the shareholders who proposed them. This is also stated in the current SHA.

Therefore, despite the seriousness of Mr. Cabanillas' conduct, who eased the attendance to the Board, to a non-authorized person, without informing it to the rest of the members, and caused the loss of trust of the other directors, this Committee decides not to raise objections

e) Compliance with internal requirements set out in the Directors Selection Policy:

The Committee values the profile, skills and experience of the candidate for re-election and has checked that, in accordance with the law, the Directors Selection Policy and other internal regulations of the company, and notwithstanding the abovementioned facts, Mr. Cabanillas Alonso is not prohibited from standing for re-election to the Board of Codere S.A.

8. CONCLUSIONS.

As a result of the above, in view of the performance of the candidates and their personal and professional conditions, this Committee considers that Mr. David Reganato, Mr. Timothy Lavelle, Mr. Manuel Martínez-Fidalgo Vázquez and Masampe S.L. (together with its representative Mr. Pío Cabanillas Alonso) have the knowledge, experience and merits necessary to hold office as Directors of Codere S.A., and this Committee thus issues a favorable report to the Board of Directors to propose to the Shareholders' Meeting their reelection as directors for the term of two years established in the bylaws, all of them as nominee directors.

June 2020.

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