

2020 AUDIT COMMITTEE REPORT **ON RELATED-PARTY TRANSACTIONS**

The Audit Committee of CODERE S.A., complying with Recommendation 6 of the Good Governance Code of Listed Companies, approved in February 2015 and revised on June 26, 2020 by the CNMV, proceeds to issue the following report on third-party transactions.

A. Regulations: Spanish Companies Act, Regulations of the Board of Directors of Codere S.A. and recommendations of the Good Governance Code of Listed Companies.

On February 18th 2015 CNMV issued a Resolution approving the Good Governance Code (revised on June 26th 2020).

This Code states in its Recommendation nº 6 that:

“Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general meeting, even if their distribution is not obligatory:

- a) Report on auditor independence.*
- b) Reviews of the operation of the audit committee and the nomination and remuneration committee.*
- c) **Audit committee report on related-party transactions.***

Additionally, art. 529 quaterdecies.4.g of the Spanish Companies Act states that the audit committee shall inform the board of directors, with prior notice, about all matters foreseen in the law, by-laws and board regulations, and in particular those regarding transactions with related parties.

In this sense, Regulations of the Board of Directors of Codere S.A. states in art. 14.3.3º c) that the Audit Committee will hold at least the following competence:

“To inform the Board, before it adopts the decisions reserved to it according to the provisions of article 7.17 herein, about the following matters:

(...)

- c) Related operations”.*

Art. 7 of the Regulations of the Board of Directors of Codere S.A. establishes that the plenary meeting of the Board is reserved the power to:

“(...)

17. Any operations carried out by the Company with Directors, significant shareholders or those that are represented on the Board, or with parties related thereto (“related operations”). The Board’s authorization, however, will not be considered necessary in those related operations that simultaneously meet the following three conditions:

- (i) Are carried out by virtue of agreements subject to standard conditions, applied en masse to many clients.*

- (ii) Are carried out at prices or rates generally established by the party acting as supplier of the good or service in question;*
- (iii) The amount of which does not exceed 1% of the Company's annual revenue".*

B.- Related-party operations during 2020

During fiscal year 2020, the Audit Committee has not been informed (as it is not required under the above mentioned regulations) of any related party transactions with Directors, significant shareholders or persons related to them.

However, the consolidated financial statements and the Annual Corporate Governance Report for the year ended December 31, 2020 detail all transactions with related parties and the balances thereof, as follows:

i) Transactions with significant shareholders:

During fiscal year 2018, the following subsidiaries of the Group, "Codere Newco S.A.U. " and "Alta Cordillera S.A." entered into a Loan Agreement for an amount of US \$13,844,299, being among the initial lenders M&G Illiquid Credit Opportunities Fund Limited and M&G Illiquid Credit Opportunities Fund II Limited both companies controlled by M&C PLC, significant shareholder of Codere S. A. During fiscal year 2020, Codere Group companies have paid to companies related to such significant shareholder or companies related thereto, US\$ 3,060,736.73, in repayment of principal, accrued interests and costs of the Loan Agreement.

Additionally, the Codere Group subsidiary "Itapoan S.A." has among its shareholders the company "Francomar Investments S.A.", a company related to the significant shareholder Mr. José Antonio Martínez Sampedro, having accrued during 2020, dividends to Francomar Investments SA in the amount of €33,407 (and amounting to €77,000 pending payment together with the financial year 2019).

Finally, the company "Itapoan S.A." has invoiced to other Codere Group companies during 2020, an amount of €319,000 as rent for the rental of real estate for the exercise of its corporate activity.

ii) Transactions with Directors:

The consolidated financial statements for the year ended December 31, 2020 detail the total remuneration received by the members of the Board of Directors.

In accordance with the applicable regulations in force, the transactions between companies of the same consolidated group (Codere Group), which have been eliminated in the preparation of the consolidated financial statements and are part of the same, have not been included in this report as part of the normal business operations of the companies regarding their object and conditions.

Madrid, May 19, 2021