

ANNUAL CORPORATE GOVERNANCE REPORT

LISTED COMPANIES

ISSUERS' PARTICULARS

YEAR END: 31/12/2008

TAXPAYER ID N°: A62385729

Registered Name: RENTA CORPORACION REAL ESTATE, S.A.

TEMPLATE FOR THE ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED COMPANIES

For a better understanding of the template and how the instructions it should be filled in, see the instructions at the end of the report

A CAPITAL STRUCTURE

A.1 Complete the following table on the company's share capital:

Date of last modification	Share capital (€)	Number of shares	Number of voting rights
07/04/2006	25,029,301.00	25,029,301	25,029,301

Please indicate whether or not there are different types of shares with different rights associated:

Yes No

Type	Number of shares	Face value	Number of voting rights	Different rights
-	-	-	-	-

A.2 Provide details of the direct and indirect owners of significant stakes in your company at year end, excluding Directors:

Name or company name of shareholder	Number of direct voting rights	Number of indirect voting rights (*)	% of total voting rights
Durango Different, S.L.	1,000,000	503,063	6.005%
Fundación Privada Renta Corporación	1,253,980	0	5.010%

Name or company name of indirect shareholder	Through: Name or company name of the direct shareholder	Number of direct voting rights	% of total voting rights
Durango Different, S.L.	Promociones Santa Rosa, S.A.	503,063	2.010%

Indicate the most significant changes in the shareholder structure that have occurred during the year:

A.3 Complete the following tables regarding the members of the company's Board of Directors who hold voting rights over the company shares:

Name or company name of Director	Number of direct voting rights	Number of indirect voting rights (*)	% of total voting rights
Mr. Luis Hernández de Cabanyes	272,091	9,516,468	39.108
Mr. David Vila Balta	113,437	0	0.453
Mr. Juan Velayos Lluís	931	0	0.004
Mr. Blas Herrero Fernandez	0	1,984,071	7.927
Mr. Carlos Tusquets Trias de Bes	0	100,000	0.400
Mr. César A. Gibernau Ausió	96,747	0	0.387
Ms. Elena Hernández de Cabanyes	613,404	0	2.451
Mr. Esther Elisa Giménez Arribas	1,100	555,470	2.224
Mr. Juan Gallostra Iserm	50	0	0.000
Mr. Ramchand Wadhmal Bhavnani	0	359,820	1.438

(*) Through:

Name or company name of the indirect holder of the stake	Through: name or company name of the direct holder of the stake	Number of direct voting rights	% of total voting rights
Mr. Luis Hernández de Cabanyes	Dinomen, S.L.	3,614,031	14.439
Mr. Luis Hernández de Cabanyes	Aurodoc 75, S.L.	1,572,364	6.282
Mr. Luis Hernández de Cabanyes	Finanting 2001, S.L.	1,482,910	5.925
Mr. Luis Hernández de Cabanyes	Sdeegtuters, S.L.	1,446,885	5,781
Mr. Luis Hernández de Cabanyes	Toga 20, S.L.	1,400,278	5,595
Mr. Luis Hernández de Cabanyes	Radio Blanca, S.A.	1,185,797	4,738
Mr. Luis Hernández de Cabanyes	Kiss Capital Grupo SCR de Regimen Simplificado, S.A.	798,274	3,189

% total voting rights in possession of the Board of Directors	54,391
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Complete the following tables regarding the members of the Company's Board of Directors who own stock options in the Company:

A.4 Indicate, where applicable, the family, commercial, contractual or corporate relations which could exist between the owners of significant shares, provided they are known by the Company, unless they are irrelevant or arise from normal trading activities:

A.5 Indicate, where applicable, commercial, contractual or corporate relations which could exist between the holders of significant shares and the company and/or its group, unless they are irrelevant or arise from normal trading activities:

A.6 Specify whether any shareholders' agreements have been notified to the company that affect it in accordance with the provisions set forth in Article 112 of the Securities Exchange Act. Where applicable, give a brief description and list the shareholders associated with the agreement:

Yes X

No

% share capital affected:

1.694

Brief description of the agreement:

By virtue of the deed of donation and usufruct notarised on 15 January 2003 by the notary Public of Barcelona Mr. Antonio Bosch, under nº 32 of his official records, Fundación Unicef-Comité Español y Fundación Intermón-Oxfam undertake to (i) not transfer their shares in the company until two years have lapsed after the listing of said shares on the stock exchange, after which time they can transfer up to a maximum of 50% of shares held; and (ii) not to transfer any shares of the remaining 50% until four years have lapsed after said listing of the shares on the stock exchange.

Parties to parallel shareholders agreements
Comité Español del Unicef
Fundación Intermon

% share capital affected:

0,824%

Brief description of the agreement:

On 6 June 2007 the following signed on to the agreement entered into as part of the listing of the company dated 24 February 2006 described above:

Parties to parallel shareholders agreements
Ms. Ana Hernández de Cabanyes
Mr. David Vila Balta

% share capital affected:

51.245

Brief description of the agreement:

As part of the listing on the stock market, certain shareholders entered into a shareholders' agreement on 24 February 2006 regulating certain restrictions on the transfer of company shares. These restrictions materialised in a preferential acquisition right in the transfer of company shares between parties to the agreement.

Parties to parallel shareholders agreements
Ms. Cristina Orpinell Kristjansdottir
Ms. Esther Elisa Giménez Arribas
Mr. César A. Gibernau Ausió
Mr. Pere Arimón Vilageliu
Ms. Anna M^a Birulés Bertran
Ms. Celso Cabrera Marrero
Mr. Luis Hernández de Cabanyes
Ms. Elena Hernández de Cabanyes
Dinomen, S.L.
Finanting 2001, S.L.
Sdeegtuters, S.L.
Toga 20, S.L.
Aurodoc 75, S.L.
Anpol Capital, S.L.
Instituto Internacional de Finanzas
Fundación Privada Renta

Indicate whether the company knows of the existence of joint actions by its shareholders. Describe them briefly, if any:

% share capital affected:

39.108

Brief description of the agreement:

Mr. Luis Hernández de Cabanyes, direct and indirect shareholder of 39.108% of the share capital of Renta Corporación is married (under the division of estates) to Ms. Cristina Orpinell Kristjansdottir, who holds 0.808% of the share capital.

Parties to parallel shareholders agreements
Mr. Luis Hernández de Cabanyes

% share capital affected:

2.224

Brief description of the agreement:

Ms. Esther Giménez Arribas, direct and indirect shareholder of 2.224% of the share capital of Renta Corporación is the common law spouse of Mr. Pere Arimón Vilageliu, holder of 0.135% of the share capital.

Parties to parallel shareholders agreements
Ms. Esther Giménez Arribas

% share capital affected:

0.135

Brief description of the agreement:

Ms. Esther Giménez Arribas, direct and indirect shareholder of 2.224% of the share capital of Renta Corporación is the common law spouse of Mr. Pere Arimón Vilageliu, holder of 0.135% of the share capital.

Parties to parallel shareholders agreements
Mr. Pere Arimon Vilageliu

% share capital affected:

2.451

Brief description of the agreement:

Ms. Elena Hernández de Cabanyes, holder of 2.451% of the share capital of Renta Corporación, is married (under division of estates) to Mr. Celso Cabrera Marrero, holder of 0.335% of the share capital.

Parties to parallel shareholders agreements
Mrs. Elena Hernández de Cabanyes

% share capital affected:

0.335

Brief description of the agreement:

Ms. Elena Hernández de Cabanyes, holder of 2.451% of the share capital of Renta Corporación, is married (under division of estates) to Mr. Celso Cabrera Marrero, holder of 0.335% of the share capital

Parties to parallel shareholders agreements
Mr. Celso Cabrera Marrero

% share capital affected:

0.453

Brief description of the agreement:

Mr. David Vila Balta, holder of 0.453% of the share capital of Renta Corporación is married (under division of estates) to Ms. Ana Hernández de Cabanyes, holder of 0.371% of the share capital.

Parties to parallel shareholders agreements
Mr. David Vila Balta

% share capital affected:

0.371

Brief description of the agreement:

Mr. David Vila Balta, holder of 0.453% of the share capital of Renta Corporación is married (under division of estates) to Ms. Ana Hernández de Cabanyes, holder of 0.371% of the share capital.

Parties to parallel shareholders agreements
Ms. Ana Hernández de Cabanyes

% share capital affected:

0.808

Brief description of the agreement:

Mr. Luis Hernández de Cabanyes, holder of 39.108% of the share capital of Renta Corporación is married (under division of estates) to Ms. Cristina Orpinell Krisjansdottir, holder of 0.808% of the share capital.

Parties to parallel shareholders agreements
Ms. Cristina Orpinell Kistjansdottir

If any modification or cancellation of said agreements or concerted actions has taken place during the year, please make express mention of this.

None, notwithstanding the purchases/sales made.

A.7 Indicate if there is any individual person or body corporate that exercises or who might exercise control of the Company pursuant to Article 4 of the Securities Exchange Act. Where applicable, identify it:

Yes No

Name or company name

Observations

A.8 Complete the following tables concerning the Company's treasury stock:

At year end:

Number of direct shares	Number of indirect shares (*)	% of share capital
377,767	0	1.509

(*) Through:

Name or company name of the direct holder of the stake	Number of direct shares
Total:	0

Provide details of the significant changes occurring during the year pursuant to Royal Decree 1362/2007:

Unrealised gains / (Losses) of treasury stock disposed of over the period (thousand Euros)	-20
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A.9 Give details of the terms and conditions corresponding to the General Meeting of Shareholders' current mandate to the Board of Directors for acquiring or assigning own shares.

The General Meeting of Shareholders of Renta Corporación of 25 April 2008 authorised the Board of Directors to purchase treasury shares. Set out below please find the terms and conditions of the 16th resolution adopted by the aforementioned General Meeting of Shareholders.

To expressly authorise the Board of Directors, with the power to delegate, in accordance with the provisions of article 75 of the Spanish Companies Act, to acquire Company shares under the following conditions.

- a) The acquisitions may be made directly by the Company or indirectly through its subsidiaries.
- b) The acquisitions shall be made through purchase and sale, swaps or any other type of operation permitted by law.
- c) The acquisition shall be made at any time up to the maximum number permitted by law.
- d) The acquisitions shall not be made at a price higher than the Stock Market price.
- e) This authorisation is granted for a maximum period of 18 months.

Furthermore, and for the purposes of the second paragraph of number 10 article 75 of the Spanish Companies Act, express authorisation is granted for the acquisition of shares of the Company by any of the subsidiary companies under the terms of this resolution.

It is expressly stipulated in the record that the shares that are acquired as a result of this authorisation can be used both for sale or treasury stock reduction and for allocation to the remuneration plans indicated in paragraph 3, section 1 of article 75 of the Spanish Companies Act, as well as to programs that foster holdings in the company, such as, for example, dividend reinvestment plans, loyalty bonuses or other similar instruments.

This authorisation replaces and voids in the amount not used the authorisation adopted by the General Meeting of Shareholders of 29 March 2007.

A.10 Indicate, where applicable, the legal and statutory requirements in the Articles of Association regarding the use of voting rights, and legal restrictions on the acquisition or sale of holdings in the share capital.

Indicate whether or not there are legal restrictions to exercising voting rights:

Yes No

Maximum percentage of voting rights that can be exercised by a shareholder in accordance with legal restrictions	0
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Indicate whether or not there are statutory restrictions to exercising voting rights:

Yes No

Maximum percentage of voting rights that can be exercised by a shareholder in accordance with statutory restrictions	0
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Description of the legal and statutory restrictions to exercising voting rights
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Indicate whether or not there are legal restrictions to the acquisition or assignment of shares in the company's capital:

Yes No

Description of the legal restrictions to the acquisition or assignment of shares in the Company's capital:

A.11 Specify whether the General Meeting has agreed to take up measures of neutralisation against a takeover bid by virtue of provisions set forth in Law 6/2007.

Yes No

If appropriate, explain the measures approved and the terms under which the restrictions would not be enforceable:

B STRUCTURE OF THE MANAGEMENT OF THE COMPANY

B.1 Board of Directors

B.1.1 Describe the maximum and minimum number of Directors set forth in the Articles of Association:

Maximum number of Directors	15
Minimum number of Directors	5

B.1.2 Complete the following table with the members of the Board:

Name or company name of Director	Representative	Position on Board	Date first appointment	Date last appointment	Election procedure
Mr. Luis Hernández de Cabanyes		Chairman – Chief Executive Officer	19/12/2000	15/03/2006	General Meeting of Shareholders
Mr. David Vila Balta		Deputy Chairman	17/07/2008	17/07/2008	Co-optation
Mr. Juan Velayos Lluís		Chief Executive Officer	17/07/2008	17/07/2008	Co-optation
Mr. Blas Herrero Fernandez		Director	11/06/2008	11/06/2008	Co-optation
Mr. Carlos Solchaga Catalan		Director	09/02/2006	09/02/2006	General Meeting of Shareholders
Mr. Carlos Tusquets Trias de Bes		Director	27/12/2004	27/12/2004	General Meeting of Shareholders
Mr. César A Gibernau Ausió		Director	17/11/2003	03/03/2005	General Meeting of Shareholders
Mrs. Elena Hernández de		Director	19/12/2000	15/03/2006	General Meeting of

Cabanyes					Shareholders
Mrs. Esther Elisa Giménez Arribas		Director	19/12/2000	15/03/2006	General Meeting of Shareholders
Mr. Juan Gallostra Isem		Director	09/02/2006	09/02/2006	General Meeting of Shareholders
Mr. Pedro Bueno Iniesta		Director	30/11/2004	30/11/2004	General Meeting of Shareholders
Mr. Ramchand Wadhmal Bhavnani		Director	25/04/2008	25/04/2008	General Meeting of Shareholders

Total number of Directors	12
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Indicate the replacements occurring in the Board of Directors during the period:

Name or company name of Director	Condition member of the Board at the time of replacement	Replacement date
Mr. Enric Venancio Fillat	Other external member	11/06/2008
Mr. César Bardají Vivancos	Executive	17/07/2008
Ms. Anna M ^a Birulés Bertran	Executive	17/07/2008

B.1.3 Complete the following tables regarding the members of the Board of Directors and their different statuses:

EXECUTIVE DIRECTORS

Name or company name of Director	Committee which proposed appointment	Position in the Company's management structure
Mr. Luis Hernández de Cabanyes	Appointments and Remuneration Committee	Chairman and Chief Executive Officer
Mr. David Vila Balta	Appointments and Remuneration Committee	Deputy Chairman and General Director of Operations
Mr. Juan Velayos Lluís	Appointments and Remuneration Committee	Chief Executive Officer
Ms. Esther Elisa Giménez Arribas	Appointments and Remuneration Committee	Chief Human Resources

Total number of Executive Directors	4
% total of the Board	33.333

EXTERNAL PROPRIETARY DIRECTORS

Name or company name of Director	Committee which proposed appointment	Name or title of significant shareholder he/she represents or who proposed appointment
Mr. Blas Herrero Fernandez	Appointments and Remuneration Committee	Radio Blanca, S.A.
Mr. Ramchand Wadhmal Bhavnani	Appointments and Remuneration Committee	Casa Kishoo, S.A.

Total number of Proprietary Directors	2
% total of the Board	16.667

INDEPENDENT EXTERNAL DIRECTORS

Name or company name:

Mr. Carlos Solchaga Catalan

Profile:

Director of Renta Corporación since February, 2006 and International Consultant at Solchaga Recio Associates since 1999. He is currently the President of the Fundación Euroamericana and Vice-President of the Royal Board of Trustees of the Museo Nacional Centro de Arte Reina Sofía. From 1976 to 1979 he was Director of the Economic Studies service at the Bank of Vizcaya. Between 1979 and 1980 he was Minister of Trade for the Basque Government. Between 1980 and 1994 he was a Member of Parliament, and led the Socialist Parliamentary Caucus between 1993 and 1994. Between 1982 and 1985 he was Minister of Industry and Energy and from 1985 to 1993 he was Minister of Economy and the Public Treasury. He was also president of the Internal Committee for the IMF between 1991 and 1993. Currently, he is a member of various Advisory and Administration Councils. He graduated in Economics and Business Administration from the University of Complutense in Madrid and did his postgraduate degree at the Alfred P. Sloan School of the Massachusetts Institute of Technology (MIT).

Name or title of board member.

MR. CARLOS TUSQUETS TRIAS DE BES

Profile

Director of Renta Corporación since 2004. He is President of the FIBANC – MEDIOLANUM Group and Director of the Mediolanum Bank (Italy). He is President of Inverco Catalunya and Vice-President of Inverco Nacional. He is also President of the Organization Committee for the Salón del Dinero, the stock exchange and other BORSADINER Financial Markets. He is President of EFPA Spain (European Financial Planner Association). In 1971 he joined the Equity Management of the Banca Catalana Group, for which he was General Sub-Director. In 1977 he joined BANKUNION, where he developed the Capital Markets Department. In 1983 he fostered the creation of the FIBANC Group, for which he is still President. He is also a member of the 3i Advisory Board (one of the largest Private Equity companies in Europe). He has his doctorate in Economics from the University of Barcelona.

Name or title of board member.

MR. JUAN GALLOSTRA ISEM

Profile

Director of Renta Corporación since February, 2006. He has been Chief Executive Officer and General Manager of the Group, JG Ingenieros Consultores de Proyectos, S.A. since 2001, where, from 1995 to 2000, he occupied the position of Managing Director. He is Director of Hospitecnia S.L. and of the British company, First Q Ltd. He was a member of the ID department of the British company Ove Arup Partners between 1988 and 1989. In 1989 he founded TEST, S.A., and was also its Managing Director until 1995. Between 1997 and 2005 he was Associate Professor in the Construction Engineering Department at the Polytechnic University of Catalonia. He is also a member of the Executive Committee of the Business Administration Chair in Sustainability in Construction Engineering (chair funded by the JG Group) for the UPC-JG Group. He is a speaker and instructor at seminars and courses on Construction Engineering, and has published various articles in special interest magazines. He belongs to the Board of Directors at the Official College of Industrial Engineers of Catalonia and is President of the Professional Committee. He is also an Industrial Engineer for the UPC and PDG for the IESE.

Total number of Independent Directors	3
% total of the Board	25.000

OTHER EXTERNAL DIRECTORS

Name or company name of Director	Committee which proposed appointment
Mr. César A. Gibernau Ausió	Appointments and Remuneration Committee
Ms. Elena Hernández de Cabanyes	Appointments and Remuneration Committee
Mr. Pedro Nuevo Iniesta	Appointments and Remuneration Committee

Total number of other External Directors	3
% total of the Board	25.000

Detail the reasons why they cannot be considered as proprietary or independent and their relationships, either with the company or its executives or with its shareholders:

Name or company name of Director	Reasons	Company, Executive or shareholder with whom the bond is maintained
Mr. César A. Gibernau Ausió	In spite of holding a direct stake in the share capital this stake is not sufficiently relevant to qualify Mr. César A. Gibernau Ausió as a proprietary Director. Neither does he qualify as an independent Director, given the advisory relationship of the company Gibernau Asesores with the Company. Therefore, the Board of	-

	Directors of Renta Corporación at its meeting of 9 February 2006 reclassified the office of Mr. César A. Gibernau Ausió to “Other external Directors”.	
Ms. Elena Hernández de Cabanyes	In spite of holding a stake in share capital, this stake is not sufficiently relevant to qualify Ms. Elena Hernández de Cabanyes as a proprietary Director. Neither does she qualify as an independent Director, given the familial relationship she has with Mr. Luis Hernández de Cabanyes, and as sole administrator of Second House, S.A., in which some of the Company’s Directors hold an interest. Therefore, the office of Ms. Elena Hernández de Cabanyes is classified under “Other external Directors”.	Mr. Luis Hernández de Cabanyes
Mr. Pedro Nuevo Iniesta	Mr. Pedro Nuevo Iniesta does not hold a direct stake in share capital and therefore cannot be described as a proprietary Director. Neither does he qualify as an independent Director, given the familial relationship he has with Ms. Christina Nuevo Plana, a Company manager. Therefore, the Board of Directors of Renta Corporación at its meeting of 26 July 2006 reclassified the office of Mr. Pedro Nuevo Iniesta to “Other external Directors”.	Ms. Christina Nuevo Plana

Indicate the changes, if any, in the type of Director during the period:

Name or company name of Director	Date of change	Former status	Present status
Mr. Enric Venancio Fillat	25/04/2008	Executive	Other external
Ms. Esther Elisa Giménez Arribas	01/05/2008	Other external	Executive

B.1.4 Explain, if appropriate, the reasons why proprietary Directors have been appointed at the request of shareholders whose shareholding is less than 5% of the share capital:

Name or company name of shareholder	Explanation
Casa Kishoo, S.A.	At the time of his appointment it was expected that Mr. Bhavnani would acquire a significant shareholding. Finally, in the end, as this did not occur, his office was reclassified from "proprietary Director" to "independent external Director".

Indicate whether or not formal requests have been accepted for presence on the Board from shareholders whose holding is equal to or higher than that of others for whom Proprietary Directors have been appointed. If appropriate, explain the reasons why these have not been dealt with:

Yes | No X

Name or company name of shareholder	Explanation

B.1.5 Indicate whether or not a Director has resigned from his/her post before the conclusion of his/her term of office, whether or not he/she has provided the Board with reasons and through which medium and, if he/she has done so in writing to the entire Board, explain at least the reasons given:

Yes X No

Director's name	Reason for resignation
Ms. Anna M. Birulés Bertran	Mutual agreement by both parties
Mr. César Bardají Vivancos	Personal reasons
Mr. Enric Venancio Fillat	Departure from Renta Corporación and appointment to Grupo Mixta Africa as Corporate General Manager.

B.1.6 Indicate, where applicable, the powers delegated to the managing Director(s):

Name or company name of Director	Brief outline
Mr. Juan Velayos LLuis	He has delegated extensive powers in accordance with legislation, but subject to certain restrictions.
Mr. Luis Hernández de Cabanyes	He has delegated extensive powers in accordance with legislation, by virtue of his office a Chairman and Chief Executive Officer of the company, the latter office to which he was re-elected under a resolution of the Board of Directors meeting on 6 June 2006.

B.1.7 Indicate, where applicable, the Board members holding positions of administrators or executives in other companies forming part of the group of the listed company:

Name or company name of Director	Company name of group company	Position
Mr. Luis Hernández de Cabanyes	Groupe Immobilier Renta Corporación, S.A.S.	Natural person representing the Chairman
Mr. Luis Hernández de Cabanyes	Masella Oeste, S.L.	Director
Mr. Luis Hernández de Cabanyes	RC 1.LLC	Chairman
Mr. Luis Hernández de Cabanyes	RC II. LLC	Chairman
Mr. Luis Hernández de Cabanyes	RC III. LLC	Chairman
Mr. Luis Hernández de Cabanyes	RC IV. LLC	Chairman
Mr. Luis Hernández de Cabanyes	RC Real Estate Deutschland GMBH	Sole Administrator
Mr. Luis Hernández de Cabanyes	RC V. LLC	Chairman
Mr. Luis Hernández de Cabanyes	Renta 1001 (UK) Limited	Chairman
Mr. Luis Hernández de Cabanyes	Renta Corporación Real Estate ES. S.A.	Natural person representing Sole Administrator of Renta Corporación
Mr. Luis Hernández de Cabanyes	Renta Corporación Real Estate Finance, S.L.	Natural person representing Sole

		Administrator of Renta Corporación
Mr. Luis Hernández de Cabanyes	Renta Corporación	Chairman
Mr. Luis Hernández de Cabanyes	Renta Properties (UK) Limited	Chairman
Mr. Luis Hernández de Cabanyes	Winterley Properties	Chairman
Mr. Juan Velayos Lluís	Group Immobilier Renta Corporación, SAS	General Manager
Mr. Juan Velayos Lluís	Medas Corporation SARL	Joint Administrator
Mr. Juan Velayos Lluís	RC 1.LLC	Director
Mr. Juan Velayos Lluís	RC II. LLC	Director
Mr. Juan Velayos Lluís	RC III. LLC	Director
Mr. Juan Velayos Lluís	RC IV. LLC	Director
Mr. Juan Velayos Lluís	RC Real Estate Deutschland GMBH	Several Administrator
Mr. Juan Velayos Lluís	RC V. LLC	Director
Mr. Juan Velayos Lluís	Renta 1001 (UK) Limited	Director
Mr. Juan Velayos Lluís	Renta Corporación Luxembourg, SARL	Joint Administrator
Mr. Juan Velayos Lluís	Renta Corporation	Director
Mr. Juan Velayos Lluís	Renta Properties (UK) Limited	Director
Mr. Juan Velayos Lluís	Tanit Corporation SARL	Joint Administrator
Mr. Juan Velayos Lluís	Winterley Properties	Director

B.1.8 Identify, if applicable, the Directors of your company who are members of the Board of Directors of other companies listed on official stock exchanges in Spain other than those of your group, that have been reported to the company:

B.1.9 Indicate and, where applicable, explain whether or not the Company has laid down rules on the number of Boards on which its Directors can sit:

Yes No

Explanation of the rules

B.1.10 With regard to Recommendation No. 8 of the Unified Code, indicate the general policies and strategies of the company that the plenary Board has reserved the right to approve:

	Yes	No
The investment and finance policy	X	
The definition of the structure of the group of companies	X	
The corporate governance policy	X	
The corporate social responsibility policy	X	
Strategic or business plan, as well as the management aims and annual budgets	X	
The remuneration policy and appraisal of senior management performance	X	
Control of risk management policy, as well as periodic monitoring of the internal information control system	X	
The dividend policy, as well as the treasury stock policy, with special focus on their limits.	X	

B.1.11. Complete the following tables regarding the total remuneration of the Directors earned over the year:

a) In the Company which is the object of this report:

Remuneration concept	(in thousands of Euros)
Fixed remuneration	2,357
Variable remuneration	841
Expenses	444
Established in Articles of Association	0
Stock options and/or other financial instruments	0
Others	1,630
TOTAL:	5,272

Other benefits	(in thousands of euros)
Advances	0
Credits granted	0
Pension plans and funds: Contributions	0
Pension plans and funds: Obligations	0
Life insurance premiums	0
Guarantees made by the Company to Directors	0

b) Through company Directors belonging to other boards of Directors and/or the senior management of group companies:

Remuneration item	(in thousands of euros)
Fixed remuneration	0
Variable remuneration	0
Expenses	0
Established in Articles of Association	0
Stock options and/or other financial instruments	0
Others	0
TOTAL:	0

Other benefits	(in thousands of euros)
Advances	0
Credits granted	0
Pension plans and funds: Contributions	0
Pension plans and funds: Obligations	0
Life insurance premiums	0
Guarantees made by the Company to Directors	0

c) Total remuneration by type of Director:

Director type	By company	By group
Executives	4,878	0
External Proprietary	43	0
External Independent	198	0
Other External	153	0
Total	5,272	0

d) As a percentage of the profits attributable to the controlling company:

Total remuneration of Directors (in thousands of euros)	5,272
Directors' total remuneration/(net) profit attributed to the parent company (%)	0.0

B.1.12 Identify members of senior management who are not also Executive Directors, and indicate the total remuneration they earned during the year:

Name or company name	Position
Mr. Javier Carrasco Brugada	Corporate General Manager
Ms. Noelia Ortiz Garcia	Internal Auditor

Total remuneration of senior management (in thousands of euros)	1,128
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B.1.13 Indicate if there are guarantee or ironclad clauses, for cases of dismissal or control changes, in favour of members of senior management, including Executive Directors of the Company or its Group. Indicate if these contracts must be notified and/or approved by the bodies of the Company or its Group:

Number of beneficiaries	1
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	Board of Directors	General Meeting
Body that authorises the clauses	Yes	No

	YES	NO
Is the General Meeting informed of the clauses?	X	

B.1.14 Indicate the process for establishing the remuneration of the members of the Board of Directors and the relevant clauses of the articles of association in that respect.

Procedure to establish the remuneration of members of the Board of Directors and the statutory clauses
<p>Process for establishing remuneration for the members of the Board of Directors and the clauses in the Articles of Association</p> <p>In accordance with article 46 of the Articles of Association:</p> <p>The members of the Board of Directors will receive, for every financial year, a fixed annual amount that will be determined at the General Board Meeting of Shareholders to be distributed between the Directors. This amount will fluctuate from a minimum of zero point five percent (0.5%) to a maximum of five percent (5%) of the Company's net profits from the previous financial year.</p> <p>Said amount, established by the General Meeting of Shareholders, while not being modified by it, will be increased annually in line with the Consumer Price Index.</p> <p>For each financial year, the Board of Directors will establish a specific amount to be received by each member, modifying this amount depending on whether or not the members belong to delegated bodies of the Board, the positions they occupy in these delegated bodies, or in general,</p>

and their dedication to administrative tasks or to service to the Company.

Furthermore, the Directors can be remunerated through shares in those of the Company or in other companies in the same group, stock options or listed shares. In terms of receiving shares in the Company, this type of remuneration will be agreed upon by the General Meeting of Shareholders. The agreement will express, where appropriate, the number of shares to be given, the exercising of option prices, the value of the shares used as a reference and for how long this form of remuneration will be in effect.

The Company is authorized to contract civil liability insurance for its Directors.

The remuneration set down in this article will be compatible with and independent of the salaries, remuneration, indemnities, pensions, contributions to life insurance policies and pensions, shares or stock options or compensation of any kind, established globally or individually for those members of the Board of Directors who have executive functions, regardless of the nature of their relationship with the Company, be it an ordinary or top management labour relationship, a mercantile relationship or one established through the rendering of services. These relationships will be compatible with the conditions of the members of the Board of Directors.

Article 25 of the Regulations of the Board of Directors also stipulates the following:

1. The Directors and members of the Auditing Committee and the Appointments and Remuneration Committee will have the right to receive remuneration that is decided upon in accordance with the provisions of the Articles of Association. In particular, the members of the Board of Directors will receive, for every financial year, a fixed annual amount that will be determined by the General Meeting of Shareholders and that will fluctuate from a minimum of zero point five percent (0.5%) to a maximum of five percent (5%) of the Company's net profits for the previous financial year.

2. Said amount, established by the General Meeting of Shareholders, while not being modified by them, will be increased annually depending on the Consumer Price Index.

For each financial year, the Board of Directors will establish a specific amount to be received by each member, modifying this amount depending on whether or not the members belong to delegated bodies of the Board, the positions they occupy in these delegated bodies, or in general, and their dedication to administrative tasks or to service to the Company.

Process for establishing remuneration for the members of the Board of Directors and the clauses in the Articles of Association:

The Board must approve the remuneration policy, which must include at least the following matters:

- a) Fixed remuneration, with breakdowns, where appropriate, of income received for participation on the Board and its Committees and an estimate of the fixed annual remuneration to which they give rise;
- b) Types of variable remuneration, including, in particular, (i) the type of Director to which the remuneration applies, as well as an explanation of the relative importance of the variable sources of remuneration in respect to fixed sources; (ii) criteria for evaluation of results based on the right to remuneration through shares, stock options or other variable sources; (iii) fundamental parameters and foundations of any annual bonus system or of other profits not paid in cash; and (iv) an estimate of an absolute amount of the variable remuneration which will arise from the proposed remuneration plan, depending on the degree of completion of the assumptions or targets that the plan refers to.
- c) Main characteristics of the provisional systems, with an estimate of their amounts or equivalent annual cost.
- d) Conditions that must respect the contracts of those who carry out top level executive functions as executive Directors, including: (i) duration; (ii) terms of notice; and (iii) any other clauses related to hiring bonuses, as well as indemnities or golden parachutes for

early termination of the contractual relationship between the Company and the executive Director.

In the event that variable remuneration is agreed upon, the remuneration policy will incorporate the necessary technical precautions in order to assure that such remuneration is related to the professional performance of the beneficiaries and not derived simply from the general evolution of the markets or the sector in which the Company operates or from other similar circumstances.

3. In particular, the Board of Directors will adopt all available measures needed to assure that the remuneration of external Directors, including that received by the members of the Committees, is in line with the following guidelines:

- a) The remuneration of the external Director must be in line with his or her time commitment, qualifications and the responsibility associated with his or her position, but not so high as to compromise their independence.
- b) The external Director must be excluded from the provisional systems financed by the Company in the event of resignation, death or other.

4. The remuneration for the position of Administrator is not affected by the amounts that can be received additionally, such as fees, or salaries connected to the rendering of professional services or labour relationships, depending on each particular case.

5. In any case, the Board will make sure that remuneration depends on the demands of the market.

6. Remuneration that has been fixed in accordance with the Company's figures will take into account future qualifications expressed in the external auditor's report and will decrease said figures.

7. Furthermore, the executive Directors can be remunerated through shares in the Company or other companies in the same group, stock options or instruments linked to the value of the share, variable remuneration linked to the Company's performance or social welfare benefits. When referring to Company shares or to listed shares, this remuneration must be agreed upon by the General Meeting of Shareholders. The agreement will express, where appropriate, the number of shares to be given, the exercising of option prices, the value of the shares used as a reference and for how long this form of remuneration will be in effect.

8. The previously considered remuneration based on receiving shares can be extended to Directors other than executive Directors when under said remuneration the Directors maintain their shares until they resign from the Company.

9. The Company is authorized to contract civil liability insurance for its Directors.

10. The Board will put to the vote of the General Meeting of Shareholders, as a separate point on the agenda, and in an advisory capacity only, a report on Director remuneration policy. This report will be available to the shareholders separately or in any other manner the Company deems convenient.

This report will be focused in particular on the remuneration policy approved by the Board for that year, as well as, where appropriate, what has been set down for future years. The report will deal with all the matters addressed in the remunerations policy, a policy which has been approved by the Board, except for when dealing with extreme cases that might signify the disclosure of sensitive company information. The report will emphasize the most significant changes to the remuneration policy in respect to the policy employed during the previous year by the General Board Meeting of Shareholders, and will include a global summary about how its remuneration policies were applied during that year. Furthermore the Board will report on the role played by the Appointments and Remuneration Committee in the preparation of the remuneration policy, and, if an external advisor has been used, the identity of the external consultants used.

The Board of Directors will evaluate the need to indicate in the Notes to the Accounts all or part of the information relating to the individual remuneration of the board members during the year, in accordance with the recommendation on corporate governance applicable at all times.

Indicate whether or not the Board in its plenary session has reserved the right to adopt the following decisions:

	Yes	No
At the proposal of the chief executive of the company, the appointment and possible resignation of senior executives, as well as their compensation clauses.	X	
The remuneration of Directors, as well as, in the case of executives, the additional remuneration through their executive duties and other conditions that their contracts must include.	X	

B.1.15 Indicate whether or not the Board of Directors adopts a detailed payments policy and specify the matters on which it pronounces:

Yes X No |

	Yes	No
The amount of the fixed components, with a breakdown, where applicable, of the allowances for participation in the Board and its Committees and an estimate of the annual fixed remuneration resulting therefrom	X	
Variable payment concepts	X	
Main characteristics of the social benefits systems, with an estimate of the equivalent annual cost or amount.	X	
Conditions to be observed in the contracts of those who exercise senior management functions as Executive Directors	X	

B.1.16 Specify whether the Board submits a report on the remuneration policy for Directors for voting at the General Meeting as a separate item of the agenda. Where applicable, explain the aspects of the report regarding the salary policy adopted by the Board for future years, the most significant changes in the said policies with regard to that applied during the year and the global summary of how the remuneration policy was applied during the year. Give details of the role played by the Remuneration Committee and, if external consultancy services have been used, the identity of the external consultants that have provided the service:

Yes X No

Matters covered by the report on the remuneration policy
<p>The Report on remuneration policy adopted by the Board of Directors for future years contains: General Principles, Fixed Remuneration, Variable Remuneration, Shares, Profits not paid in cash, and life insurance schemes, Executive Officers and conclusions.</p> <p>Per diems for attending meetings of the Board in 2008 have not varied against 2007, and, therefore, the remuneration policy applied in 2008 is the same as that initially established, although, please note that both the executive officers and the secretary have waived their respective per diems for most of 2008.</p> <p>The remuneration is moderate given the demands of the market and the time and effort that is made by the officers in diligently and effectively undertaking their offices as Company Directors, either as executive officers or external, proprietary or independent Directors, or others.</p>

Role played by the Remuneration Committee
<p>The Appointments and Remuneration Committee is responsible for preparing the report on the remuneration policy for Directors and submitting it to the Board of Directors for adoption and vote by the General Meeting of Shareholders.</p>

	Yes	No
Have external consultancy services been used?		
Identity of the external consultants		

B.1.17 Indicate, where applicable, the identity of Board members who are also members of the Boards of Directors, Directors or employees of companies that hold significant stakes in the listed company and/or companies of your group:

Name or company name of Director	Company name of significant shareholder	Position
Mr. Luis Hernández de Cabanyes	Sdeegtuters, SL	Sole Administrator
Mr. Luis Hernández de Cabanyes	Dinomen, SL	Sole Administrator
Mr. Luis Hernández de Cabanyes	Toga 20, SL	Sole Administrator
Mr. Luis Hernández de Cabanyes	Finanting 2001,SL	Sole Administrator
Mr. Luis Hernández de Cabanyes	Aurodoc 75, SL	Sole Administrator
Mr. Blas Herrero Fernandez	Kiss Capital Group SCR de Regimen Simplificado, SA	President of Executive Committee
Mr. Blas Herrero Fernandez	Radio Blanca, SA	Sole Administrator

Provide details, as the case may be, of the relevant relationships other than those included in the previous heading, of the members of the Board of Directors with the significant shareholders and/or in entities of its Group:

Name or company name of associated Director	Name or company name of significant linked shareholder	Description of relationship
Mr. Luis Hernández de Cabanyes	Sdeegtuters, SL	Mr. Luis Hernández de Cabanyes is the direct shareholder of 43.15% and indirect shareholder of 20%.
Mr. Luis Hernández de Cabanyes	Dinomen, SL	Mr. Luis Hernández de Cabanyes is the direct shareholder of 44.44% and indirect shareholder of 17.6%.
Mr. Luis Hernández de Cabanyes	Toga 20, SL	Mr. Luis Hernández de Cabanyes is the direct shareholder of 43.15% and indirect shareholder of 20%.
Mr. Luis Hernández de Cabanyes	Finanting 2001,SL	Mr. Luis Hernández de Cabanyes is the direct shareholder of 43.15% and indirect shareholder of 20%.
Mr. Luis Hernández de Cabanyes	Aurodoc 75, SL	Mr. Luis Hernández de Cabanyes is the direct shareholder of 54.36% and indirect shareholder of 14.77%.
Mr. Blas Herrero Fernandez	Kiss Capital Group SCR de Regimen Simplificado, SA	Mr. Blas Herrero Fernandez is the direct shareholder of 0.13% and indirect shareholder of 86.07%.
Mr. Blas Herrero Fernandez	Radio Blanca, SA	Mr. Blas Herrero Fernandez is the direct shareholder of 80%.

B.1.18 Indicate whether or not there has been any modification to the regulations of the Board during the year:

Yes No X

Description of modifications

B.1.19 Indicate the procedures for the appointment, re-election, assessment and removal of Directors. Provide details of the competent bodies, the procedures to be followed and the criteria applicable in each procedure.

Articles 17 to 22 of the Regulations of the Board of Directors regulate the appointment and removal of the Directors of Renta Corporación.

Appointment of Directors

1. Directors shall be appointed to the Board of Directors, after the submission of the report of the Appointments and Remuneration Committee, by the General Meeting of Shareholders, in accordance with the provisions of the Spanish Companies Act.
2. At the time of the appointment of a new Director, he must follow the orientation program for new Directors established by the Company, in order to rapidly acquire adequate knowledge of the Company and its corporate governance rules.
3. Furthermore, the Directors must follow the programs for updating their knowledge established by the Company when circumstances require.

Appointment of external Directors

The Board of Directors shall ensure that the election of candidates is the responsibility of persons of renowned skill and experience, and must take all measures in relation to the calls to fill the offices of independent Directors under the terms set down in article 6 of these Regulations.

Re-election of Directors

The Board of Directors, before proposing the reappointment of Directors to the General Meeting of Shareholders, shall evaluate (with the subject involved abstaining) as per article 22.1, the quality of the work and dedication to the office of the Director proposed during the preceding mandate.

Duration of the office

1. The Directors shall undertake their office for the term set by the General Meeting of Shareholders, which must be equal for all and cannot exceed six years, at the end of which they can be reappointed one or more times for equal periods of maximum duration.
2. The mandate of the Directors shall expire when, once the term has expired, the next General Meeting of Shareholders has been held, or the legal term for holding the General Meeting of Shareholders for resolving the approval of the annual accounts of the previous year has lapsed.
3. The Directors appointed by co-optation must be ratified at the date of the meeting of the first General Meeting of Shareholders.
4. The Director who terminates his mandate or for any other causes ceases to undertake his office cannot be a Director or occupy executive offices in another company that has an analogous corporate purpose to that of the Company for a period of two years.

The Board of Directors, if it considers it necessary, shall be entitled to exempt the departing Director of this obligation or reduce its duration.

Dismissal of Directors

1. Directors shall be removed from office when the period for which they were appointed expires or when so decided by the General Meeting of Shareholders, which is empowered to do so by law or under the articles of association of the Company.
2. The Directors shall tender their resignation to the Board of Directors and formalise it, if the latter deems it necessary, in the following cases:
 - a) When they are removed from their executive offices they occupied by virtue of being Directors.
 - b) when they are involved in any of the grounds of incompatibility or prohibition legally laid down.
 - c) When they have been seriously reprimanded by the Board of Directors for having infringed their obligations as Directors.
 - d) When their sitting the Board may put the interests, credit or reputation of the Company at risk or jeopardise them or when the reasons of which they were appointed (for example, when a proprietary Director divests his stake in the Company) disappear.
 - e) In the case of independent Directors, they cannot remain as such for a continuous period longer than 12 years, and, accordingly, after this term, they must resign their office to the Board of Directors and formalise their respective resignation.
 - f) In the case of proprietary Directors (i) when the shareholder they represent sells his total stake; and; also (ii) in the respective number, when said shareholder lowers his stake to a level that requires the reduction of the number of proprietary Directors.
3. In the event that, due to resignation or any other reason, a Director resigns his office before the end of his mandate, he must explain why in a letter to be submitted to all the members of the Board.

The Board of Directors can only propose the removal of an independent Director before the lapse of his statutory mandate when there is just cause, as appreciated by the Board, subject to the submission of a prior report from the Appointments and Remuneration Committee. In particular, just cause is understood to exist when the Director has not complied with the duties of his office or has suddenly incurred in any of the impediments for being a Director described in the definition of the independent Director laid down in the recommendations of good corporate governance applicable at all times.

Objectivity and secret vote

1. In accordance with article 29 of these Regulations, the Directors affected by appointment proposals, reappointment or removal, shall abstain from intervening in the deliberations and votes dealing with them.
2. All votes of the Board of Directors dealing with appointments, reappointment or **removal of Directors shall be conducted by secret vote.**

B.1.20 Indicate cases in which Directors are compelled to resign.

The Directors must tender their resignation to the Board of Directors and formalise it, if the latter deems it necessary, in the following cases: (i) When they are removed from the executive offices that they occupied by virtue of being Directors; (ii) when they are involved in any of the grounds of incompatibility or prohibition legally laid down; (iii) when they have been seriously reprimanded by the Board of Directors for having infringed their obligations as directors; (iv) when their sitting the Board may put the interests, credit or reputation of the Company at risk or jeopardise them or when the reasons of which they were appointed (for example, when a proprietary

Director divests his stake in the Company) cease to exist; (v) in the case of independent Directors, they cannot remain as such for a continuous period of longer than 12 years, and, accordingly, after this term, they must resign their office to the Board of Directors and formalise their respective resignation; and (vi) in the case of proprietary Directors (i) when the shareholder they represent sells his total stake; and; also (ii) in the respective number, when said shareholder lowers his stake to a level that requires the reduction of the number of proprietary Directors.

Furthermore, article 39 of the Articles of Association of Renta Corporación stipulates that the Director who terminates his mandate or for any other causes ceases to undertake his office cannot be a Director or occupy executive offices in another company that has an analogous corporate purpose to that of the Company for a period of two years. The Board of Directors, if it considers it necessary, shall be entitled to exempt the departing Director of this obligation or reduce its duration.

B.1.21 Explain whether the duties of the chief executive of the Company corresponds to the position of Chairman of the Board. If this is the case, indicate the measures which have been taken to limit the risks of accumulation of powers in a single person:

Yes No

Measures for limiting risks
There is no risk of concentration of power. The lists of powers of the Board of Directors, the Audit Committee and the Appointments and Remuneration Committee, constitute proper measures for limiting the risk of accumulation of power by a single person. Furthermore, the Chairman and executive officer of the Company exercises their duties with the assistance of the senior executive branch, in particular, the Vice-Chairman and General Operations Manager, the Chief Executive Officer and the Secretary of the Board of Directors and the General Corporate Manager, which avoids the risk of power being accumulated by one individual.

Indicate and, where applicable, explain whether or not rules have been laid down to empower one of the Independent Directors to request the calling of a Board meeting or the inclusion of new matters on the agenda to coordinate and report the concerns of the External Directors and direct the assessment by the Board of Directors.

Yes No

Explanation of the rules
Article 15.4 of the Regulations of the Board of Directors stipulates that in the event that the Chairman of the Board is also the chief executive officer of the Company, any independent Director shall on his own be entitled to request a meeting of the Board or the inclusion of new points on the agenda. In the event that some of the Vice-Chairmen of the Company are classified as independent Directors, the latter will take on the functions set down in section 15.4

B.1.22 Are reinforced majorities other than those applicable by law required for any type of decision?

Yes No

Indicate how decisions are taken in the Board of Directors, specifying at least the minimum quorum and the type of majorities for approving decisions:

Approval of decisions		
Description of resolution	Quorum	Type of majorities
Any resolution.	The Board will be validly constituted when at least half the member plus one are in attendance or represented. 50.01%	Except in cases in which the law or articles of association specifically establish other quorums, the resolutions shall be adopted by a majority of the attendees. In the event of a tie, the Chairman shall cast the deciding vote.

B.1.23 Indicate if there are specific requirements other than those relating to Directors in order to be appointed as Chairman.

Yes No

Description of requirements

B.1.24 Indicate whether the Chairman casts the deciding vote:

Yes No

Matters for which there is a casting vote
The deciding vote of the Chairman will always be cast when there is a draw.

B.1.25 Indicate whether the Articles of Association or the Board Regulations establish any age limit for Directors:

Yes No

Age limit for Chairman NO

Age limit for CEO NO Age limit for Directors NO

B.1.26 Indicate whether the Articles of Association or the Board Regulations establish a limited mandate for independent Directors:

Yes No

Maximum number of years of mandate	12
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B.1.27 If there are few or no female Directors, explain the reasons or the initiatives adopted to correct this situation.

Explication of the reasons and the initiatives

In particular, indicate whether or not the Appointments and Remuneration Committee has laid down procedures to ensure that the selection processes are not subject to implicit bias that prevents the selection of female Directors and deliberately look for female candidates with the required profile:

Yes No **X**

Indicate the main procedures

B.1.28 Indicate if there are formal processes for delegation of votes in the Board of Directors. If so, describe them briefly.

At 31 December 2008 there are no formal processes for delegating votes for the Board of Directors meetings. Such processes must be in line with current legislation.

However, article 16 of the Regulations of the Board of Directors lays down that the Directors will do whatever they can to attend the meetings of the Board, and when they cannot do so in person, they will ensure that they delegate their vote in writing to another member of the Board, along with the necessary instructions, and shall inform the Chairman of the Board of this.

B.1.29 Indicate the number of meetings that the Board of Directors has held over the year. Also indicate, where applicable, how many times the Board has met without the Chairman being present:

Number of meetings of the Board	9
Number of Board meetings without the Chairman attending	0

Indicate the number of meetings held by the different Board committees over the year:

Number of meetings of the Executive or Delegated Committee	0
Number of meetings of the Audit Committee	7
Number of meetings of the Appointments and Remuneration Committee	8
Number of meetings of the Appointments Committee	0
Number of meetings of the Remuneration Committee	0

B.1.30 Indicate the number of meetings held by the Board of Directors during the year without the attendance of all its members. When calculating the number, representations made without specific instructions shall be considered as non-attendance:

Number of non-attendances of Directors during the year	2
% of non-attendances over the total number of votes during the year	1.000%

B.1.31 Indicate if the individual and consolidated annual accounts submitted for approval by the Board are certified previously:

Yes No

Identify, where applicable, the person(s) who has/have certified the Company's individual and consolidated annual accounts in order to be drawn up by the Board:

Name	Position
Mr. Javier Carrasco Brugada	General Corporate Manager
Ms. Fernanda Sáenz de Cabezón Escoruela	Controller

B.1.32 Explain, where applicable, the mechanisms established by the Board of Directors to prevent the individual and consolidated annual accounts it draws up from being submitted to the General Meeting of Shareholders with qualifications in the auditors' report.

Article 39.3 of the Regulations of the Board of Directors stipulates that the Board shall definitively formulate the annual accounts so that the auditor can issue an unqualified report. It also stipulates that, when the Board deems it necessary to maintain its criteria, it will publicly disclose the content and the scope of the discrepancy.

On the other hand, the same article stipulates that, in order to avoid the presentation of qualified annual accounts to the General Meeting of Shareholders, the Audit Committee, prior to the formulation, shall:

(a) Ascertain the financial reporting process and the Company's internal control systems, confirm their adequacy and integrity and verify the appointment or substitution of those responsible for the systems.

(b) Supervise the internal auditing systems.

(c) Review the annual accounts and the Company's periodical financial reporting in search of compliance with legal requirements and the correct application of generally accepted accounting principles, relying on direct collaboration between the internal and external auditors for this purpose.

(d) Deal with the relationships with external auditors in order to receive information on those matters related to the process of carrying out the auditing of the annual accounts, as well as other reporting regulations set down by accounts auditing legislation and the technical standards on auditing.

Furthermore, the Audit Committee ordinarily meets every three months, with the goal of verifying the periodical financial information that is to be submitted to the stock exchange regulators as well as verifying the information that the Board of Directors has approved, including it in the annual report.

The audit reports for the individual and consolidated annual accounts of Renta Corporación contain no qualifications.

B.1.33 Is the Secretary of the Board a Director?

Yes No

B.1.34 Explain the procedures for appointing and dismissing the Secretary of the Board, indicating whether or not his/her appointment and dismissal have been reported by the Appointments Committee and adopted by the Board in its plenary session.

Appointments and dismissal procedure
Article 10 of the Regulations of the Board of Directors stipulates that the appointment of the Secretary of the Board of Directors shall be approved by the Board on the basis of a proposal from the Appointments and Remuneration Committee. The Secretary can be one of the members of the Board or a non-Board member who can undertake these functions. In the event that the Secretary of the Board of Directors is not a Director, he will have voice but not vote.

	<u>Yes</u>	<u>No</u>
Does the Appointments Committee report the appointment?	X	
Does the Appointments Committee report the dismissal?	X	
Does the plenary session of the Board adopt the appointment?	X	
Does the plenary session of the Board adopt the dismissal?	X	

Is the Board Secretary commissioned with the duty of especially supervising the good governance recommendations?

Yes No

Observations
This function is attributed to the Secretary under article 10.3 of the Regulations of the Board of Directors.

B.1.35 Indicate, where applicable, the mechanisms established by the Company to safeguard the independence of the auditor, financial analysts, investment banks and rating agencies.

Article 39 of the Regulations of the Board stipulates that the Audit Committee will refrain from suggesting to the Board of Directors, and at the same time will refrain from submitting to the General Meeting of Shareholders, the appointment as Company auditor of any auditing firm that finds itself in an incompatible situation with the Company in accordance with auditing legislation, as well as those firms in which the fees that the Company anticipates paying, for all items, are higher than five percent of the firms' total profits during the previous financial year.

The Board of Directors will give a public report on the total fees that the Company has paid to the auditing firm for auditing and other services.

The Audit Committee is therefore in charge of relations with the Company's external auditors, receiving information on matters that may place the independence of these external auditors at risk and any other matters related to the process of carrying out the audit, as well as any other communications set down in auditing legislation and in the technical auditing standards (article 48 of the Articles of Associations and article 13 of the Regulations of the Board of Directors).

Article 38 of the Regulations of the Board of Directors governs the relationship of the Company with the markets in general and therefore with financial analysts and investment banks, amongst others, with which the Renta Corporación has a relationship based on the principles of

transparency and non-discrimination. The Company coordinates deals with them, managing both their requests for information and their institutional or private investments. The Company is not subject to credit rating.

B.1.36 Specify whether the Company has changed external auditor over the year. If appropriate identify the incoming and outgoing auditors:

Yes No

Outgoing auditor	Incoming auditor

In the event of disagreements with the outgoing auditor, explain the content of said disagreements:

Yes | No

Explanation of the disagreements

B.1.37 Indicate if the audit company performs other tasks for the company and/or its group other than auditing activities, and if so, state the amount of the fees received for said activities and the percentage of the fees billed to the company and/or its group:

Yes No |

	Company	Group	Total
Amount charged for tasks other than auditing activities (in thousands of euros)	55	0	55
Amounts charged for tasks other than auditing/Total amount billed by the audit company (%)	30.000	0.000	17.000

B.1.38 Specify whether the Annual Accounts audit report from the previous year includes any reservations or qualifications. Where applicable, indicate the reasons given by the Chairman of the Audit Committee to explain the content and scope of the said reservations or exceptions.

Yes | No

Explanation of the reasons

B.1.39 Indicate how many years the current audit company has been auditing, without interruption, the annual accounts of the Company and/or its Group. Also indicate the percentage of the number of years audited by the current audit company over the total number of years that the annual accounts have been audited:

	Company	Group
Number of years without interruption	6	9

	Company	Group
No. of years audited by the current audit company /No. of years the Company has been audited (%)	100	100

B.1.40 Indicate the holdings of the members of the Board of Directors in the capital of companies which have the same, similar or complementary type of activity that constitutes the business purpose of the Company and of its Group, and of which the Company has been informed. Also indicate the positions or duties that they perform in these companies:

Name or company name of Director	Name of object company	% holding	Position or duties
Mr. Luis Hernández de Cabanyes	Sdeegtuters, SL	63.150	Sole Administrator
Mr. Luis Hernández de Cabanyes	Finanting 2001, SL	63.150	Sole Administrator
Mr. Luis Hernández de Cabanyes	Alderamin Star, SL	62.040	Sole Administrator
Mr. Luis Hernández de Cabanyes	Second House, SL	47.500	--
Mr. Luis Hernández de Cabanyes	Dinomen, SL	62.040	Sole Administrator
Mr. Luis Hernández de Cabanyes	Aurodoc 75, SL	69.130	Sole Administrator
Mr. Luis Hernández de Cabanyes	Mixta Africa, SA.	14.590	Director
Mr. Luis Hernández de Cabanyes	Toga 20, SL	63.150	Sole Administrator
Mr. David Vila Balta	Mixta Africa, SA	0.220	Director
Mr. David Vila Balta	Second House, SL	0.530	--
Mr. Juan Velayos Lluís	Mixta Africa, SA	0.400	Non-member Secretary
Mr. Blas Herrero Fernandez	Argia Inversiones Inmobiliarias, S.A.	47.890	Director
Mr. Blas Herrero Fernandez	BVCR Titulos, SL	50.000	Sole Administrator
Mr. Blas Herrero Fernandez	Productos Lacteos de Cornellana	49.170	Sole Administrator
Mr. Blas Herrero Fernandez	Inversiones SB, SL	50.000	Joint Administrator
Mr. Blas Herrero Fernandez	Gestora Asturiana, SA	50.000	Joint Administrator
Mr. Blas Herrero Fernandez	Inmobiliaria Porceyo, SA	51.000	Joint Administrator
Mr. Blas Herrero Fernandez	HVB Casas, SA	98.350	Several

			Administrator
Mr. Blas Herrero Fernandez	HVB Invesal	100.000	Sole Administrator
Mr. Blas Herrero Fernandez	Units 3501/3503 FBII, LLC	98.350	Director
Mr. Blas Herrero Fernandez	Fuente Nozana	50.000	Joint Administrator
Mr. Blas Herrero Fernandez	Barandon Inversiones, SL	13.770	Joint Administrator
Mr. Carlos Tusquests Trias de Bes	Life Marina Ibiza, SL	6.540	--
Mr. César A. Gibernau Ausió	Second House, SL	1.050	--
Mr. César A. Gibernau Ausió	Mixta Africa, SA	0.220	Director
Mr. César A. Gibernau Ausió	GP Consulting	0.095	Power
Mr. César A. Gibernau Ausió	Charceboy, SL	10.910	--
Ms. Elena Hernández de Cabanyes	Second House, SA	3.660	Sole Administrator
Ms. Elena Hernández de Cabanyes	Promotora de Industrias Gráficas, SA	5.000	--
Ms. Elena Hernández de Cabanyes	Mixta Africa, SA	0.870	--
Ms. Elena Hernández de Cabanyes	Iglu Verde, SL	50.000	Several Administrator
Ms. Elena Hernández de Cabanyes	Inmo Ercina, SL	50.000	Several Administrator
Ms. Esther Elisa Giménez Arribas	Trancelit World, SL	50.000	--
Ms. Esther Elisa Giménez Arribas	Tizzano Novara, SL	50.000	Several Administrator
Ms. Esther Elisa Giménez Arribas	Anpol Capital, SL	48.387	Several Administrator
Ms. Esther Elisa Giménez Arribas	Mixta Africa, SA	0.150	Natural person representing director Fundación Privada Renta
Ms. Esther Elisa Giménez Arribas	Second House, SL	4.130	--
Mr. Juan Gallostra Isem	Grupo JG Ingenieros Consultores de Proyectos, SA	5.780	Chief Executive Officer
Mr. Ramchand Wadhupal Bhavanani	Casa Kishoo, S.A.	25.000	Secretary and Chief Executive Officer
Mr. Ramchand Wadhupal Bhavanani	Jansi Ki Rani, SL	2.000	
Mr. Ramchand Wadhupal Bhavanani	El Corte Hindu, SL	1.680	

B.1.41 Indicate and, where applicable, provide details of whether there is a procedure whereby Directors can have external assessment:

Yes X No |

Details of the procedure
<p>The Regulations of the Board of Directors (articles 23 and 24) governing the Director's information stipulates the following:</p> <p>Article 23. Powers of information and inspection</p> <ol style="list-style-type: none"> 1. The Director can request information on any matter within the remit of the Board, and, thus, examine its books, records, documents and other documentation. The right to information covers the investee companies to the extent possible. 2. The request for information must be addressed to the secretary of the Board of Directors, who will submit it to the Chairman of the Board of Directors and the appropriate contact in the company. 3. The Secretary shall notify the Director confidentially of the information requested and received and of his duty of confidentiality in accordance with the provision of these Regulations. 4. The Chairman shall be entitled to deny the information if he believes: (i) that it is not necessary for the proper undertaking of the duties of the Director or (ii) that its costs is no reasonable in light of the importance of the matter and the assets and income of the Company. <p>Article 24. Assistance of experts.</p> <ol style="list-style-type: none"> 1. In order to be assisted in the undertaking of their functions, all the Directors shall be entitled to obtain from the Company the necessary advice to comply with their duties. To do so the Company shall provide the proper channels which, under special circumstances, could include external advisory assistance charged to the Company. 2. The engagement must necessarily deal with specific problems of certain importance and complexity that arise in the course of the Director's duties. 3. The decision to make the engagement must submitted to the Chairman of the Company, which can be vetoed by the Board of Directors if it is shown that: <ol style="list-style-type: none"> a) It is not necessary for the proper undertaking of the duties of the external Directors; b) its cost is not reasonable in light of the importance of the problem and the asset and income of the Company; c) or the technical assistance that is gathered can be properly provided by experts and technical staff of the Company.

B.1.42 Indicate and, where applicable, provide details of whether there is a procedure whereby Directors can have the information necessary to prepare the meetings of the Boards of Directors with sufficient time:

Yes X No |

Details of the procedure
<p>Article 15 of the Regulations of the Board stipulates that the calls for the meetings of the Board shall be made at least three days in advance, and shall always include the agenda of the meeting and be accompanied by the relevant information.</p>

B.1.43 Indicate and, where applicable, give details of whether or not the Company has laid down rules that oblige the Directors to report and, in cases that damage the Company's credit and reputation, resign:

Yes No

Explain the rules
Article 21.d of the Regulations of the Board of Directors states that the Directors must resign their seat on the Board of Directors and formalise such resignation, if the latter deems it necessary, in the event that their office on the Board could place the interest, credit or reputation of the Company at risk or damage it.

B.1.44 Indicate whether or not any member of the Board of Directors has informed the Company that he/she has been prosecuted or hearings against him/her have been opened for any of the offences laid down in Article 124 of the Spanish Companies Act:

Yes No

Director's name	Criminal case	Observations

Indicate whether or not the Board of Directors has analysed the case. If the answer is affirmative, give a reasoned explanation of the decision taken as to whether or not the Director remains in his/her post.

Yes No

Decision taken	Reasoned explanation
Remains/Does not remain	

B.2. Committees of the Board of Directors

B.2.1 Provide details of all the committees of the Board of Directors and their members:

AUDIT COMMITTEE

Name	Position	Type
Mr. César A. Gibernau Ausió	Chairman	Other external
Mr. Juan Velayos Lluís	Board Member	Executive
Mr. Carlos Tusquets Trias de Bes	Secretary-Board Member	Independent

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Type
Mr. César A. Gibernau Ausió	Chairman	Other external
Mr. Juan Velayos Lluís	Board Member	Executive

Mr. Carlos Tusquets Trias de Bes	Secretary-Board Member	Independent
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B.2.2 Specify whether the Audit Committee is responsible for the following:

	Yes	No
Supervising the preparation process and integrity of the financial information related to the Company and, where applicable, the Group, reviewing compliance with the standard requirements, the appropriate definition of the consolidation perimeter and the correct application of the accounting criteria.	X	
Regularly reviewing the internal control and risk management systems so that the main risks can be identified, processed and appropriately publicised.	X	
Ensuring the independence and effectiveness of the internal audit duty; propose the selection, appointment, re-election and dismissal of the person in charge of the internal audit service; forward the budget for this service; receive periodic information on its activities, and verify that senior management considers the conclusions and recommendations in its reports.	X	
Setting up and supervising a mechanism that enables employees to communicate any significant irregularities, especially those related to finance and bookkeeping, and to do so in a confidential manner.	X	
Raising the selection, appointment, re-election and substitution proposals concerning the external auditor to the Board, as well as the terms and conditions of his/her contract.	X	
Likewise receiving information from the external auditor on the audit plan and the results of carrying it out and checking that senior management take its recommendations into account	X	
Guaranteeing the independence of the external auditor.	X	
In the event of groups, to see that the group auditor accepts liability for the audits of the companies that makes up the group.	X	

B.2.3 Describe the organisational and operational rules and the responsibilities attributable to each of the Board's committees.

Name of Committee

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief description

Appointments and Remuneration Committee

Under article 14 of the Regulations of the Board, the Board of Directors will have an Appointments and Remuneration Committee that is governed by the following rules:

I. Composition

The Appointments and Remuneration Committee will be made up of a minimum of three Directors, all of whom are external insofar as that is possible given the composition of the Board of Directors and recommendable for the proper operations of the Committee, which will be appointed by the Board of Directors.

The President of the Appointments and Remuneration Committee will be elected from amongst the external Directors, and must be replaced every four years, although he can be re-elected after a period of one year as from the date of his removal has lapsed.

The Director designated by the member of the Committee will act as the Secretary.

II. Remit

Notwithstanding the other functions that could be assigned by the Board of Directors, the Appointments and Remuneration Committee have the following basic duties:

To formulate and review the criteria to be followed for the formation of the management team of the company and its subsidiaries and to select candidates.

To submit to the Board of Directors the proposal for appointments of managers so that it can appoint them.

To analyse, formulate and periodically review the proposals of hiring and loyalties policies for new executives.

To analyse, formulate and periodically review the proposals of remuneration policies for executives, weighing their adequacy and performance.

To guarantee the transparency of remuneration.

To report on the transactions that involves or could involve conflicts of interest.

III. Operations

The Appointments and Remuneration Committee will normally meet quarterly. It also meets whenever convened by the President, who must do so provided that the Board of Directors has requested a report or the adoption of proposals, and, in any case, provided that it is necessary for the proper undertaking of its duties.

Name of Committee

AUDIT COMMITTEE

Brief description

Audit Committee

The rules for the organisation and operations of the Audit Committee are those set out below and set down in the article 48 of the Articles of Association and article 13 of the Regulations of the Board of Directors:

I. Composition.

The Audit Committee shall be made up of three Directors, a majority of which are not executive officers, appointed by the Board of Directors.

The President of the Audit Committee will be elected from amongst the external Directors, and must be replaced every four years, although he can be re-elected after a period of one year as from the date of his removal has lapsed.

The Director designated by the member of the Committee will act as the Secretary.

II. Remit

Notwithstanding the other functions that could be assigned by the Board of Directors, the Audit Committee has the following basic duties:

To report to the General Meeting of Shareholders on the matters that is raised by the shareholders in the areas of its remit.

To propose to the Board of Directors, for submission to the General Meeting of Shareholders, the appointment of the external auditors referred to in article 204 of the Spanish Companies Act, as well as their engagement terms and conditions, the scope of their engagement and, as the case may be, their cessation or non-renewal.

To supervise the internal auditing systems.

To review the Company's accounts, oversee compliance with the legal requirements and correct application of generally accepted accounting principles, with the direct collaboration of the internal and external auditors.

To supervise the management and control policy of the risks that affects the achievement of the corporate purposes of the Company.

To understand the financial information process, the internal controls system of the Company, to verify its appropriacy and integrity and review the appointment or replacement of the persons responsible for it.

To handle the relationship with the external auditors in order to receive information on matters that could jeopardise their independence and any other matters relating to the auditing of the accounts, as well as other communications required by auditing legislation and technical auditing standards.

To oversee compliance with the audit engagement contract, ensuring that the opinion on the annual accounts and the main content of the audit report are worded clearly and precisely, and to evaluate the results of each audit.

To review the periodical financial information that must be provided by the Board to the markets and to its supervisory bodies.

To examine compliance with the Internal Code of Conduct, the Regulations of the Board, and, in general, the rules of governance of the Company and to make the necessary proposals for their enhancement.

To receive information, and, as the case may be, issue a report on the disciplinary measures that are to be imposed on the members of senior management of the Company.

III. Operations

The Audit Committee will normally meet quarterly in order to review the periodical financial information that must be submitted to the stock exchange regulators as well as the information that the Board of Directors has approved and must be included in its public annual filings. Furthermore, it will also meet upon the request of any of its members and whenever convened by the Chairman, who must do so, provided that the Board or its Chairman has requested a report or the adoption of proposals, and, in any case, provided that it is always useful to the proper undertaking of its duties.

The Audit Committee shall prepare an annual report on its operations highlighting the main incidences that have arisen, if any, in relation to its own duties. Furthermore, when the Audit Committee deems it necessary, it will include in said report proposals to improve the rules of governance of the company. The Audit Report will be appended to the annual report on corporate governance and will be made available to the shareholders and investors on the company website.

The members of the management team or company personnel will be obligated to attend the meetings of the Audit Committee and collaborate with it and give it access to the information they have when required by the Audit Committee to do so. The Committee shall also be required to attend the auditor's meetings. In order to best fulfil its duties, the Audit Committee shall be entitled to seek external expert advice, when it deems it necessary for the proper fulfilment of its duties.

B.2.4 Indicate the powers for advising, consultancy and, if relevant, appointments, for each of the committees:

Committee	Brief outline
Appointments and Remuneration Committee	Article 14 of the Regulations of the Board of Directors provides the appointments and remuneration committee with the duties described in section B.2.3 above.
Audit Committee	Article 13 of the Regulations of the Board of Directors provides the appointments and remuneration committee with the duties described in section B.2.3 above.

B.2.5 Indicate, where applicable, the existence of Committee Regulations, the location at which they are available for consultation, and the modifications that have been made during the financial year. Also indicate whether any annual report on each Committee's activities has been voluntarily drafted.

Name of committee

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief description:

The rules of organisation and operations of the Audit Committee and the Appointments and Remuneration Committee are included in the Regulations of the Board of Directors, which are available for consultation on the Company's website (www.rentacorporacion.com), without separate Regulations for the Audit Committee or for the Appointments and Remuneration Committee having been adopted to date.

Name of committee

AUDIT COMMITTEE

Brief description

The rules of organisation and operations of the Audit Committee and the Appointments and Remuneration Committee are included in the Regulations of the Board of Directors, which are available for consultation on the Company's website (www.rentacorporacion.com), without separate Regulations for the Audit Committee or for the Appointments and Remuneration Committee having been adopted to date.

The Audit Committee prepares an annual report (which accompanies this report and is made available to the shareholders on the Company's website) highlighting the main activities and incidences, as the case may be, in relation to its own duties. Furthermore, when the Audit Committee deems it necessary, it will include proposals for improving the rules of governance of the Company in its report.

B.2.6 Indicate whether the makeup of the Executive Committee reflects the participation in the Board by the various Directors depending on status:

Yes

No

If the answer is No, explain the makeup of your Executive Committee
--

There is no Executive Committee.

C RELATED-PARTY TRANSACTIONS

C.1 Indicate whether the plenary Board has reserved the power to approve the operations that the company carries out with Directors, with major shareholders or shareholders represented on the Board, or with individuals related to these, following a favourable report from the Audit Committee or any other Committee commissioned with this duty:

Yes

No

C.2 Detail the significant operations that imply a transferral of resources or obligations between the Company and entities within its Group and the significant shareholders of the Company:

C.3 Detail the significant operations that imply a transferral of resources or obligations between the Company or entities within its Group and the Administrators or Executives of the Company:

Name or company name of significant shareholder	Name or company name of the company or entity of the Group	Nature of the operation	Type of operation	Amount (thousands of euros)
Mr. Luis Hernández de Cabanyes	Renta Corporación Real Estate RA, SA	Contractual	Purchase of goods (finished product of work in progress)	7,000

C.4 Detail the important operations carried out by the Company with other companies belonging to the same Group, provided that they are not eliminated in the process of drafting the consolidated financial statements and are not part of the Company's usual trading in terms of its purpose and conditions:

Company name of the entity	Brief description of the operation	Amount (thousands of euros)

C.5 Indicate whether the members of the Board of Directors have been affected by any conflicts of interest over the year, in accordance with the provisions set forth in Article 127.3 of the Public Limited Companies Act.

Yes No X

Name or company name of Director	Description of the conflict of interest

C.6 Detail the mechanisms established to detect, determine and resolve possible conflicts of interest between the Company and/or the Group, and its Directors, Executives or significant shareholders.

The Regulations of the Board of Directors and the Internal Code of Conduct for governing the mechanisms established to detect and regulate possible conflicts of interest

In relation to the directors, the mechanisms established to detect possible conflicts of interest are regulated by the Regulations of the Board of Directors. Article 29 of the Regulations of the Board of Directors stipulate that the Director must report any conflicts of interest to the Board of Directors and refrain from attending or intervening in the deliberations that affect matters in which they are personally interested. A personal interest on the part of a Director exists when the matter affects a member of his family or related persons and companies or entities over which a member of his family may have a significant influence. Article 32 of the Regulations of the Board of Directors stipulate that a Director cannot use to his own benefit or that of a person related to him under the terms of article 29 above one of the Company's business opportunities, unless it is offered previously to the Company, which refuses to exploit it. For the purposes of that mentioned above, a business opportunity is understood as any possibility of making an investment or undertaking commercial operations that have arisen or have been discovered related to his office by the Director, or through the use of means and information of the Company, or under circumstances that would make it reasonable to think that the offer of the third party was actually addressed to the Company.

Furthermore, the Director must inform the Company of the offices he undertakes or holds on the Boards of Directors of other listed companies and, in general, the facts, circumstances or situations that could be relevant vis-à-vis his duties as Company administrator in accordance with the provisions of the Regulations of the Board of Directors.

The body that regulates and resolves the conflicts of interest of the Directors is the Audit Committee.

In relation to senior management, the mechanisms established to detect and regulate possible conflicts of interest are regulated in the Internal Code of Conduct that is also applicable to the Directors. Article 10 of the Regulations of the Internal Code of Conduct stipulates that the person in question must act at all times judiciously, with loyalty to the company and its shareholders, and independently in respect of his own or third party interests. Consequently, he will refrain from prioritising his interests to the detriment of those of the Company or those of certain investors at the expense of the others, and from intervening in or influencing the decisions that could affect the person or entities with which there is a conflict and from accessing confidential information that may affect said conflict.

Furthermore, the person in question must report to the General Secretary of the Company possible conflicts of interest in which he is involved due to his activities outside the Company, family relations, personal equity or for any other reasons, with the Company or any of the companies in the Group, significant suppliers or customers of the Company or Group companies, and companies that are involved in the same business or are competitors or the company or any of the Group companies. Any doubts about the possibility of a conflict of interest must be discussed with the General Secretary, and the final decision is the remit of the Audit Committee.

C.7 Is more than one Group Company listed on the stock markets in Spain?

Yes No

Identify the subsidiary companies that are listed:

D RISK CONTROL SYSTEMS

D.1 General description of the risk policies of the Company and/or the Group, detailing and assessing the risks covered by the system, together with justification for the adaptation of the system to the profile of each risk type.

Renta Corporación is exposed to strategy, business, financial and operating risk.

The policy and strategy of risk management is the responsibility of the Board of Directors supported by Senior Management for definition and implementation. However, all the members of the organisation participate in and are responsible for ensuring the success of the risk management system.

It is the remit of the Audit committee, as the specialised body of the Board of Directors, to supervise the policy of control and management of risk in order to provide reasonable assurance in achieving the corporate purposes of the Company, and, therefore, it is the body that reviews and approves the Risk Map of Renta Corporación and the Risk Management System.

In its oversight functions, the Committee receives the support from Internal Audit, which, through the functional dependence of this body, is in charge of reviewing and evaluating continuously the effectiveness of internal risk management and control system operations, which also contributes to their improvement.

Furthermore, there are other bodies that participate in risk supervision and control.

- Senior Management, the chairman, vice-chairman, general operations manager, the chief executive officer, the general corporate manager and the human resources Director, are all members of senior management. They manage risk related to their area of responsibility through the identification and evaluation of the different risks, the establishment of policies and plans to manage them and by following up and supervising the measures taken by the different departments and subsidiaries.

- Senior Management is responsible to the Board of Directors for the decisions adopted and the results obtained, especially those that could affect or compromise compliance with the corporate strategy and objectives.
- Economic-Financial Management, responsible for the preparation and monitoring of the business plans, budgetary control, liquidity and financial capacity, maintenance of a proper capital structure and the risk control policies for interest and exchange rates.
- Department and subsidiary management (Management Committee), managing operational risk in accordance with the risk management policies and methodologies set by Senior Management.
- General Secretary, responsible for compliance with corporate law, the obligations and recommendations of Good Governance, the stock market legislation, money laundering legislation and the protection of personal data.

On the other hand, and in relation to internal control, of special note is the fact that Renta Corporación has a Code of Conduct for employees and the persons forming part of its governing bodies and has a channel for reporting misconduct.

Renta Corporación has developed a methodology for risk management, based on the Integrated Framework for Corporate Risk Management proposed by COSO (Committee of Sponsoring Organisations of the Treadway Commission), in order to provide reasonable assurance that the objectives set will be met and that any deviations will be detected. The objectives of the organisation are divided into the following categories:

1. Strategic: to delve deeper into the various options of transformation of the portfolio of buildings creating more value and improving positioning, optimising purchase options over buildings and opening up new business lines in the management of assets for third parties, while maintaining the company's international focus.
2. Operations: operations must be agile, effective and efficient and generate value and liquidity.
3. Information and reporting: the information systems must be appropriate, sufficient and reliable.
4. Compliance: general, sector and internal company rules and legislation must be met.

The methodology followed by Renta Corporación for risk management is as follows:

1. Establishment of the objectives of the Renta Corporación Group.
2. Identification of the potential risks that could affect the objectives defined and identification of the existing controls.
3. Valuation of risks in line with their importance, probability of occurrence and taking into account the degree of management or preparation to respond to them.
4. Definition of action plans, prioritise according to the valuation made, so that exposure is at a risk level acceptable to Renta Corporación.
5. Information and reporting to Management and the Audit Committee.
6. Monitoring and reviewing the Risk Management System.
7. Updating of the Risk Map.

During this year Renta Corporación has formalised a Process Map for the entire group and has prepared a master risk and process map, identifying the activities that have the greatest exposure to risk and which constitute priority action areas.

The Risk Map is the instrument through which we identify and evaluate the risk detected in each process, in accordance with the work of Senior Management and the persons responsible for the different corporate departments and businesses, all of whom are participants in carrying out the same.

Both the Risk Map and the risk-process master are reviewed annually in order to evaluate the degree of exposure to the risks that we have and to define the action plan that can manage them. Furthermore, the results are reported to Senior Management and the Audit Committee.

Part of the risks identified can affect the capacity of Renta Corporación to apply its strategy, and, accordingly, Senior Management, as the body responsible for this, must redefine it when necessary and also the plans for achieving it. In the final instance, the Company's strategy is

approved by the Board of Directors which in turn supervises and controls compliance with the targets established.

The risks identified are classified in the following categories:

- Strategic risk

This arises from the exposure to a loss of opportunities and value as a result of an inappropriate strategic definition in relation to the economic environment, evolution of the business or risk concentration, and also errors in its implementation or inadequate monitoring.

Renta Corporación follows up the main variables of its activity as well as a series of business, financial and operating risks that could affect its current and future situation. Based on this analysis, the Company defines, adapts or modifies its business strategy by specifying its strategic and economic planning, which it monitors permanently.

- Business risk

The Renta Corporación group is exposed to risks related to the real estate sector, which can threaten the business and the achievement of strategic objectives. This category includes the risk related to:

- The environment, as a result of adverse external factors (for example, the international financial situation, the situation of the markets in which it operates, fall in market prices and surplus supply).
- The regulatory framework (for example, the impact of changes in legislation on land).
- Image and reputation, due to the loss, damage or erroneous perception of the different stakeholders,
- The competition, (for example, entry of new competitors).
- Product portfolio (for example, the concentration of certain products or markets, incorrect appraisals of profitability that are not in line with expectations).

In order to reduce the exposure to these risks, and taking into account the impact that they can have on the strategy of Renta Corporación, follow up is made of all these variables, redefining – as the case may be – the strategy and preparing the respective action plans:

- Exposure to environment risk is studied on the basis of a monitoring of each market in which Renta Corporación operates and the impact that certain variables can have on the evolution of these markets. The internationalisation and diversification of products and the nature of the business, centred on the acquisition and transformation of buildings in large cities and prime real estate zones, constitute elements that mitigate risk.
- Regulatory risk is the result of changes in legislation governing the real estate sector (for example, the Land Act). Renta Corporación has a Town Planning Department that has experts in the field, responsible for giving advice on the measures to adopt.
- Exposure to image and reputational risk, due to the loss, damage or erroneous perception of the different stakeholders, could be the result of unethical actions by the governing bodies, management and employees, due to opaque behaviour towards customs, governments and investors, for breaches of corporate governance standards or because of external factors that discredit or damage the image of the real estate sector.

In order to mitigate the exposure to this risk, Renta Corporación carries out a policy of selection of the personnel involved with the organisation and has a Code of Conduct for all employees and members of the governing bodies, as well as channels for reporting any infringements of standards; it has a Communications Department in charge of handling relations with the media and to ensure that communications are accurate, reliable and transparent; it has an Investor Relations Department in charge of relations with this group; and a General Secretary in charge of relations with the Spanish Security and Exchange Commission (CNMV) and for ensuring compliance with the obligations of listed companies in the area of Good Governance.

- In relation to competition risk, please note that the business of Renta Corporación is based on the acquisition and legal, physical, technical or town-planning-related conversion of business in prime real estate zones in large cities. Therefore, it does not compete with builders and land developers. Historically, the competition risk has had its main impact on the acquisition phase, and, accordingly, the development of swift processes and an appropriate structure for quick decision making mitigated its impact. Today, the impact of this risk is centred in sales, and, accordingly, specialised teams have been prepared for the sale of buildings to all types of customers and in all markets of interest.
- In relation to product portfolio risk, Renta Corporación is constantly monitoring:

The compositions of the portfolio in terms of markets and product type and the interest of the market in acquiring or transforming buildings.

The appraisal of the assets acquired, which can be damaged by external factors. In order to record the appropriate carrying value of the assets, appraisals are made periodically by independent experts, in order to keep them up to date at all times. Thorough analysis of the options of transformation and future profitability using different scenarios, selection of the best transformation strategy that determines the forecast profitability, preparation of statements of budgeted results and continuous monitoring of the execution of the transformation plans and the possible deviations.

- Financial risk

These are related to liquidity and financial capacity, capital, credit and the variations in exchange or interest rates. Renta Corporación permanently monitors its financial risks.

Liquidity risk and financial capacity

Liquidity risk is related to the capacity to meet short-term payments and the proper management of cash surpluses. The risk in financial capacity refers to the financial position of Renta Corporación to meet its payments in the medium and long-term and to contribute economic resources necessary to carry out its strategy. Both risks are managed by the Economic-Financial Management through:

- Planning and follow up of cash inflows and outflows on a daily, monthly and bi-monthly basis in one year.
- Constant monitoring of the financial capacity to comply with the payments in the medium and long-term and to continue operations and applying the defined strategy.
- Monitoring of compliance with covenants or other debt-related obligations.
- Search for financing facilities under the best conditions for the group.
- Adapting the structure and volume of debt to the current evolution and condition of the business.

Renta Corporación finances the acquisition of buildings and transformation activities of the latter by obtaining borrowed funds. As a result, the group is subject to the risks normally related to debt-financing, including the risk that cash flows from the sale of buildings may not be sufficient to repay debt, although the quality of the assets is a good guarantee of the debt.

Capital risk

Capital risk is calculated as net equity plus net debt.

The exposure to capital risk is determined depending on the difficulty of safeguarding the capacity of capital to ensure that the company continues as a going concern, in order to generate shareholder return and profits for net equity instrument holders and to maintain an optimal capital structure and contain or reduce its cost.

The Group continuously monitors the capital structure in line with the leverage index and practice in the industry.

In order to be able to maintain and adjust the capital structure, the group can adjust the dividends payable to the shareholders, refund capital to the shareholders, issue new shares or sell assets to reduce the debt.

Trade receivable credit Risk

The trade receivable risk is managed through the sales policy, according to which the transactions for the buildings are carried out in cash on the date of transfer of ownership of the property. In the event of a deferral of payment the debt must be guaranteed as general rule by means of a bank guarantee, through reservation of title or similar forms of guarantees *in rem* that enable the group to recover ownership of the property in the event of a default on payment.

Exchange and interest rate risk

Exchange rate risk arises directly from activity or presence in different Euro zone countries, as in the US or the UK, and from the financing of these subsidiaries in non-Euro currencies.

The exposure to interest rate risk is due to the possible variations that could arise and lead to increased financing costs.

Both exchange rate and interest rate risk are managed in accordance with the policies adopted by the Board of Directors, establishing hedging instruments that minimise the impact of the volatility in these variables.

Operational risk

This category includes all the risks arising during operations caused by an inadequacy or failure of processes, underperformance of employees, technology and information systems or by external factors. Consequently, this category identifies risks related to:

- Operations: covering all risks directly related to corporate activities or business (for example, the quality of products or planning, the integrity of operations and transactions, depreciation of assets and accidents, ethics or integrity of personnel in their actions, etc.).
- Information for decision-making: related to any type and level of operational, financial or management information.
- Human Resources: related to motivation, satisfaction and loyalty of personnel, the sizing, concentration of knowledge or dependence on key personnel, and the training and availability of suitable human resources.
- Management and Governance: in relation to the capacity of management and governance of operations, especially in the establishment, communication and management of goals, criteria, policies, functions, and assignment of duties.
- Legal: related to compliance with current legislation connected to the activities carried out in corporate or business areas (accounting, tax, labour, environmental, technical, sectorial, town-planning or others).
- Technology and information systems: related to technological infrastructure, the management and integrity of the information in the systems and its physical and logical security.

The operational risks identified in the Company's processes are managed by the design, implementation and evaluation of internal controls that prevent their materialisation and provide reasonable assurance for compliance with the objectives or, if they do materialise, ensure that their impact is mitigated as much as possible.

The management of these risks is decentralised to different persons responsible for the processes and supervised by Senior Management.

Furthermore, the Internal Audit function supports the identification and valuation of risks and their management. Furthermore, audits are planned and carried out on the different processes depending on their criticality and the exposure to risk of each one, in order to evaluate the effectiveness and efficiency of the risk management systems. The results of these audits are reported regularly to the Audit Committee.

D.2. Indicate whether or not any of the various types of risk (operative, technological, financial, legal, reputational, fiscal, etc.) that affect the Company and/or its Group have arisen during the year:

Yes

No

If the answer is Yes, indicate the circumstances that caused them and whether or not the established control systems worked.

Risks occurred during the year.	Causes of risks	Operation of Control Systems
Liquidity and financing capacity.	The forecast of difficulties in meeting the payment of the financial debt costs and the future return on capital within the terms initially established.	As a result of this risk, Renta Corporación believes it is necessary to reach an agreement with the lending institutions in order to reduce its debt through the sale of assets, refinancing the long-term debt under new terms and conditions in line with the circumstances of the market, and to obtain an additional line of liquidity for possible operating needs.
Valuation of the buildings portfolio.	The decrease in value of the buildings portfolio.	According to the appraisals made by independent experts, Renta Corporación has readjusted the carrying values of its buildings.
Customer credit	The cancellation of purchase and sale operations due to the inability of the customers to meet their payment of the instalments.	In the detection of a possible cancellation of purchase and sale operations the Company executes the mortgage guarantees on the buildings and in the event that this does not offset the total damage caused, legal actions are instigated. If upon termination of the legal actions there is still an economic loss for Renta Corporación, the loss is recognised in the accounts.
Interest rates.	The rising trend in interest rates until the third quarter of 2008 and the significant decrease in the last quarter.	In order to mitigate the impact of interest rate risk, Renta Corporación has hedging instruments following the interest rate risk management policy adopted by the Board of Directors. However, due to the stiff decrease in the last part of the year, the market value ('mark to market') of the hedges at the year end totalled Euros – 6.3 million. In 2009 and as a result of the renegotiation of the financial debt, the Company will try to adapt its current hedges to the new financing scheme.
Exchange rates.	The volatility of the US Dollar and the Pound Sterling.	In order to reduce the impact of this risk, hedging instruments are arranged. However, these have only limited but not eliminated this impact. The depreciation of the Pound against the Euro in the last two months of the year has led to a serious negative effect from exchange differences. This has led in turn to losses of Euros 8.4

		million in year end results.
Capital risk.	The equity situation due to the losses for the year and the leverage ratio of the companies Renta Corporación Real Estate ES, S.A. and Renta Corporation (Estados Unidos).	In order to reinforce the equity situation, Renta Corporación has subscribed and paid capital increases in both Renta Corporación Real Estate ES, S.A. and Renta Corporation (Estados Unidos) in the amount of Euros 35 million and Euros 15.9 million, respectively.
Concentration of product portfolio	The concentration in certain geographic markets and types of buildings, such as is the case of land, which due to the duration of zoning processes and failures to approve transformation operations initially expected, has raised the turnover period of the portfolio to a level above the targets set by Renta Corporación in the last few years, aggravating even more the current situation in the financial and real estate sectors.	In order to decrease the degree of exposure to this risk, the Company has adopted intensive commercial policies to move its units, including the definition and execution of alternative transformation, the prioritisation in the execution of transformation over the other products, and the domestic and international commercial management in seeking more customers.

D.3. Indicate whether there is a committee or governing body that is responsible for establishing and supervising these control devices:

Yes No

If the answer is Yes, describe its functions.

Name of the Committee or Body	Description of duties
Senior Management	<p>The Board of Directors delegates ordinary management of the Company to Senior Management, concentrating its activity in the function of general supervision and the adoption of the most important decisions for the Company administration.</p> <p>Consequently, Senior Management, made up of the senior executives of the organisation (the chairman, the vice-chairman and general operations manager, the chief executive officer, the general corporate manager, and the human resources manager), manages the risks related to their duties, through the identification and evaluation of risk, the establishment of policies and plans for risk management and the monitoring and oversight of the management carried out by other departments and subsidiaries.</p> <p>Senior Management is responsible to the Board of Directors for the decisions adopted and the results of this management, especially in those areas that could affect or compromise compliance with the company strategy and corporate objectives.</p>

Internal Audit	<p>In its oversight functions, the Audit Committee is supported by the Internal Audit Department which is functionally dependent on this body, and reviews and evaluates on an ongoing basis the effectiveness of the operations of the risk management and internal control system and contributes to improving them.</p> <p>Internal Audit reports periodically to the Board of Directors on the results of the audits carried out and the recommendations made to Management in order to improve the risk management and internal control systems and the degree of their adoption.</p>
Audit Committee	<p>The Audit Committee is the body of the Board of Directors competent in supervising the risk management and control policies in order to provide reasonable assurance of the achievement of corporate objectives.</p> <p>Article 13.2 of the Regulations of the Board of Directors assigns the Audit Committee, amongst others, the following functions:</p> <ul style="list-style-type: none"> a. To identify the different types of risk (operating, technological, financial, legal, reputational) that the Company faces, including, amongst the financial or economic risk, the contingent liabilities and other off-balance sheet risks. b. To identify the risk level that the Company considers acceptable. c. To identify the measures set down to mitigate the impact of the risk identified, in the event that they materialise. d. To identify the information and internal control systems that will be used to monitor and manage these risks, including the contingent liabilities or off-balance sheet risks. <p>In relation to the information and internal control systems</p> <ul style="list-style-type: none"> a. To supervise the process of preparation and the integrity of the financial information concerning the Company, and, as the case may be, the group, reviewing compliance with the legislative requirements, the proper limitation of the consolidation scope and the proper application of the accounting criteria. b. To periodically review the internal control and risk management systems, so that the main risks are identified, managed and become known properly. c. To oversee the independence and effectiveness of the Internal Audit function; to propose the selection, appointment, reappointment and removal of the person responsible for the Internal Audit service; to propose the budget for the service; to receive information periodically on its activities; and to verify that senior management takes the conclusions and recommendations of its reports into account. d. To establish and supervise a mechanism that will enable employees to confidentially, and if considered appropriate, anonymously report any irregularities of potential importance, especially financial and accounting irregularities, that are discovered in the Company.
Board of Directors	<p>The Board of Directors is the body responsible for approving the Company's strategy and the precise organisation for putting it into practice, and for supervising and monitoring Management to</p>

	<p>ensure that it meets its targets.</p> <p>With this goal in mind and in relation to risk management, the Board of Directors approves the risk management and control policy and the periodically follow up of the internal information and control systems.</p>
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D.4 Identification and description of the procedures for compliance with the different Regulations affecting the Company and/or its Group.

Amongst the risks identified in Renta Corporación in the business risk category we find the issue of the regulatory framework, due to the uncertainty of the impact of any variations or deficiencies in the regulation of the industry (for example, the land act), and, on the other hand, within the category of operational risk, the legal risk related to the possible infringement of current legislation.

The legal operational risk covers the risk of infringement of accounting, tax, labour, environmental, technical, sectorial, zoning risk and other regulations that affect Renta Corporación (for example, the stock exchange, corporate governance, money laundering, personal data protection and company law).

In order to reduce exposure to the risk of infringement of the different regulations, Renta Corporación has various departments that analyse and monitor any changes in legislation, provide advice to the different areas and supervise and coordinate compliance with legislation. The Management of the different areas affected are responsible for transferring legislation to the standards, policies and operating procedures. Furthermore, Renta Corporación has external experts in legal, tax, accounting and business areas that provide advice when necessary.

These departments are:

- Zoning and town-planning: in relation to regulation of the industry.
- Technical: in relation to technical and environmental regulation.
- Human Resources: in relation to labour regulation.
- Tax and Accounting: in relation to tax and accounting regulation, respectively.
- General Secretary: in relation to compliance mainly with legislation on the stock exchange, corporate governance, money laundering, personal data protection and company law.
- Legal: providing support to other areas in order to comply with company law in the company's operations.

E GENERAL MEETING OF SHAREHOLDERS

E.1 Indicate and, where applicable, give details of whether or not there are differences between the minimums system laid down in the Spanish Companies Act (or LSA) and the quorum for constituting the General Meeting of Shareholders.

Yes No

	% quorum different to that laid down in Article 102 Spanish Companies Act (or LSA) for general cases	<u>% quorum different to that laid down in Article 103 LSA for special cases</u>
Quorum required for the first call to meeting	0	0
Quorum required for the second call to meeting	0	0

Description of the differences

E.2 Indicate and, where applicable, give details of whether or not there are differences between the system laid down in the Spanish Companies Act and the system for adopting corporate agreements:

Yes No

Describe how the system differs from that of the LSA.

	Reinforced majority other than that laid down by Article 103.2 Spanish Companies Act (or LSA) for the cases of 103.1	Other cases of reinforced majorities
% laid down by the institution for the adoption of agreements		
Describe the differences		

E.3 List the shareholders' rights in relation to General Meetings which differ from those of the Spanish Companies Act (or LSA).

The shareholders' rights in relation to the General Meeting of Shareholders are set down in the LSA, which are now set out in articles 26, 28, 30, 31, 32 and 33 of the Articles of Association. Furthermore, these rights are found in further detail in the Regulations of the General Meeting of Shareholders, which are available to the public on the Company's website. In particular, the Regulations of the General Meeting of Shareholders includes the following shareholders' rights.

Right to information

Article 9 stipulates that after the date of publication of the call for the General Meeting of Shareholders and until the seventh day prior to the date slated for the General Meeting of Shareholders, inclusive, the shareholders have the right to ask the Board of Directors about the matters on the agenda, the information or

clarifications they require, or formulate any questions in writing that they believe to be pertinent.

Furthermore, within the same due form and time, the shareholders are entitled to ask for information or clarification or formulate questions in writing on the information available to the public that has been submitted by the Company to the Spanish Securities and Exchange Commission (CNMV) since the last General Meeting of Shareholders. The Board of Directors is obligated to provide in writing the information requested until the date of the General Meeting of Shareholders.

The requests for information can be made by personal delivery of the request to the registered office, or by sending the Company the request by mail or by other means of electronic communication addressed to the management specifying the respective announcement of the call, or, failing said specification, to the Shareholder Service Office. Requests will be admitted as such if the electronic document through which the information has been requested includes the legal electronic signature used by the applicant, or other mechanisms which, by means of a resolution adopted to that effect previously, is considered by the Board of Directors to properly guarantee the authenticity and identification of the shareholder who is exercising his right to information.

No matter what the means used to issue the request for information, the request of the shareholder must include his name and surnames, accrediting the shares he owns, so that this information can be checked against the list of shareholders and the number of shares in his name provided by the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Sociedad de Sistemas or Iberclear), for the General Meeting of Shareholders in question. The shareholder is responsible for the receipt of delivery of the request to the Company in due form and time. The Company's website will provide the pertinent explanations for exercising the right to information of the shareholder under the terms set down in current legislation in force.

The requests for information, regulated under this article, will be answered, once the identity and status of the shareholder applicant is verified, before the General Meeting of Shareholders.

The Directors are obligated to provide the information in writing, up to the day of the General Meeting of Shareholders, except in the cases in which:

- (i) the publication of the information requested could damage the company's interests, in the opinion of the Chairman;
- (ii) the request for information or clarification does not refer to the matters on the agenda or the information accessible to the public that has been filed by the Company with the Spanish Securities and Exchange Commission (CNMV) since the last General Meeting of Shareholders;
- (iii) the information or clarification requested is considered abusive; or
- (iv) as a result of legal or regulatory provisions or legal rulings.

However, the exception indicated in point (i) above shall not apply if the request is supported by shareholders who represent at least one fourth of share capital.

The Board of Directors shall be entitled to empower any of its members, the Presidents of the Committees that answer to it or its Secretary, so that, in name and behalf of the Board of Directors, they can respond to any of the requests for information formulated by the shareholders.

The means for providing the information requested by the shareholders shall be those means through which the respective request was made, unless the shareholder indicates a different form from among those deemed suitable in accordance with this article. In any case, the Directors shall be entitled to provide the information in question by certified post with acknowledgement of receipt or by burofax.

The Company shall be entitled to post on its website information relating to the responses provided to the shareholders in answer to their questions formulated by virtue of their right to information regulated hereunder.

Right to representation

Article 12 stipulates that all shareholders who have the right to attend can be represented at the General Meeting of Shareholders by another person, who may or may not be a shareholder. The representation must be conferred in writing or by the means of communication whose use is set down by the governing body expressly in the call, provided that the requirements of said call are met, and, in any case, the identity of the shareholder and his representative is duly guaranteed. The same precept regulates the rules for validating the representation granted by the means of long-distance communication.

Voting by mail

Article 24 contemplates the right to cast a vote by mail or other electronic means, empowering the Board of Directors to lay down provisions in this article and establish rules, means and procedures in line with the technical status for arranging the vote and the delegation of proxies by electronic means, coming into line as the case may be with legal standards for this system and set down in the articles of association and the Regulations of the General Meeting of Shareholders.

E.4 Indicate, where applicable, the measures adopted to encourage participation of the shareholders in General Meetings.

Article 35 of the Articles of Association of Renta Corporación stipulates that, as a means for fostering the participating of the shareholders in the General Meeting of Shareholders, any shareholder can intervene at least once in the deliberations of the points on the agenda, without infringing the rights of the Chairman to use his powers, to adopt such rules of order that limit speaking time, impose turn-taking or the close the list of interventions.

On the other hand, article 36 of the Regulations of the Board of Directors establishes that the General Meeting of Shareholders will promote the informed participation of the shareholders at the General Meeting of Shareholders and will adopt any measures considered necessary to ensure that the General Meeting of Shareholders effectively carries out its functions under law and the articles of association. In particular, the General Meeting of Shareholders shall adopt the following measures: (i) it shall strive to provide the shareholders prior to the General Meeting of Shareholders with all the information legally required and all that which, even if it is not, could be of interest and can be reasonably provided; (ii) it shall satisfy, as diligently as possible, the requests for information formulated by the shareholders prior to the General Meeting of Shareholders; and (iii) it shall respond, with the same diligence, to the questions formulated by the shareholders at the General Meeting of Shareholders.

Consequently, the shareholders have all the documentation necessary at their disposal to be able to discuss the items on the agenda of the General Meetings of Shareholders sufficiently in advance. Such documents are published on the website of the Company and by the CNMV. Likewise, the shareholders can delegate representation and proxy votes to another person who may or may not be a shareholder, if they cannot attend the General Meeting of Shareholders in person.

E.5 Indicate whether the position of Chairman of the General Meeting coincides with that of Chairman of the Board of Directors. Indicate, where applicable, the measures adopted to encourage independence and effective operation of the General Meeting:

Yes

No

Details of measures
<p>Article 16 of the Regulations of the General Meeting of Shareholders stipulates that the General Meeting of Shareholders will be chaired by the Chairman of the Board of Directors or, failing that, the Vice-Chairman, and failing them both, by the member of the Board of Directors designated by the General Meeting of Shareholders.</p> <p>It also indicates that the Chairman, even when present at the meeting, shall be entitled to delegate the chairing of the meeting to the Secretary, or the member of the governing body he deems suitable. Furthermore, the Chairman shall be entitled to have assistance, if he so desires, from any expert he deems suitable.</p> <p>The Chairman is responsible for declaring that the General Meeting of Shareholders has been validly constituted, and for chairing and keeping order during the deliberations and interventions and for the times assigned to the shareholders in their interventions in accordance with the provisions of the Regulations of the General Meeting of Shareholders, for terminating debate when he considers that the matter has been sufficiently discussed and for calling for the votes, resolving doubts that arise in relation to the agenda and the list of attendees, for proclaiming the adoption of the resolutions, adjourning the meeting and, as the case may be, agreeing to its suspension, and, in general, exercising all powers, including maintaining order and discipline, that are necessary for an appropriate meeting to be held, and is even empowered to expel from the meeting those who disturb it, and shall even presided over the interpretation of the provisions of the Regulations.</p> <p>Furthermore, the Regulations of the General Meeting of Shareholders contain, amongst others, provisions on the creation of lists of attendees, the General Meeting of Shareholders and voting on the proposed resolutions that ensure its proper functioning.</p> <p>The governing body shall be entitled to call on the presence of a Notary to certify the General Meeting of Shareholders and will be obligated to do so provided that, subject to five days notice prior to the General Meeting of Shareholders, it has been requested by shareholders representing at least one percent of share capital.</p> <p>The notary's certificate will be considered as the minutes of the General Meeting of Shareholders and will not require adoption by the latter.</p> <p>Notwithstanding the inscription in the Mercantile Registry of those resolutions that can be inscribed and the legal provisions applicable on the publication of resolutions, the Company will notify the CNMV by means of communication required for filing a relevant event, the resolutions adopted either literally or in an extract. The resolutions of the General Meeting of Shareholders held during the year and the prior year will also be posted on the Company's website. Furthermore, upon the request of any shareholder or his representative at the General Meeting of Shareholders, the Secretary shall expedite a certificate of the resolutions or notary's certificate, as the case may be.</p>

E.6 Indicate, where applicable, the amendments made during the financial year to the General Meeting Regulations.

The Regulations of the General Meeting of Shareholders were not modified in 2008.

E.7 Indicate the attendance data of the General Meetings held during the financial year to which this report refers:

Date of General Meeting	Attendance data				Total
	% physical presence	% represented	% remote voting		
			Electronic vote	Others	
25/04/2008	62.555%	10.280%	0.004%		72.834%

E.8 Indicate briefly any decisions taken in the General Meetings held during the financial year to which this report refers, and the percentage of votes in the case of each decision.

ONE.- Analysis and approval, where applicable, of the individual and consolidated Annual Accounts of the Company for the year ended 31 December 2007.

Votes in favour: 99.939%

TWO.- Analysis and approval, where applicable, of the individual and consolidated Directors' Reports of the Company and its investee companies for the year ended 31 December 2007., as well as the corporate management for said year.

Votes in favour: 99.989%

THREE.- Application of results for the year ended 31 December 2007.

Votes in favour: 99.989%

FOUR.- Adoption of the incentive plan for Directors, executives and employees for 2008, and the adoption of the payment in Company shares to the Directors and executives in accordance with the aforementioned incentive plan, as per article 130 of Additional Provision Four of the Spanish Companies Act.

Votes in favour: 95,190%

FIVE.- Appointment of Mr. Ramchand Wadhmal Bhavnani as member of the Board of Directors of the Company as proprietary Director.

Votes in favour: 95.719%

SIX.-Adoption of the maximum annual amount to be received by members of the General Meeting of Shareholders in accordance with article 46 of the Articles of Association.

Votes in favour: 99.392%

SEVEN.- Reappointment of the auditors of the Company and its consolidated group.

Votes in favour: 99.997%

EIGHT.- Authorisation of the Board of Directors to acquire treasury shares by the Company and by its investee companies under the terms set down by law, voiding, in the number not used, the authorisation granted by the General Meeting of Shareholders of 29 March 2007.

Votes in favour: 100%

NINE.- Authorisation of the Board of Directors under the provisions of article 153.1.b) of the Spanish Companies Act so that within a maximum period of five years, and if deemed necessary, it can increase share capital up to one half of

current share capital, once or several times, and when and in the amount it deems appropriate, with the right to exclude the right to preferred subscription, rewording therefore article 5 of the Articles of Association and voiding the authorisation adopted by the General Meeting of Shareholders of 29 March 2007.

Votes in favour: 100%

TEN.- Delegating the Board of Directors the power to issue bonds, debentures, and other simple, swappable fixed income securities convertible into shares, warrants, promissory notes and preferred participations with the power to exclude the right to preferred subscription and authorisation so that the Company can guarantee the issues of fixed income securities by its subsidiaries.

Votes in favour: 95.707%

ELEVEN.- Authorisation of the Board of Directors to apply for listing and de-listing on secondary Spanish or foreign markets of shares, debentures or other securities issued or to be issued, and, to adopt the resolutions necessary to keep the Company's shares, debentures or other securities listed and in circulation.

Votes in favour: 99.997%

TWELVE: Authorisation for the Board of Directors of the Company, in the broadest terms, to carry out in full the above-mentioned resolutions, expressly including the powers to construe, remedy and complete them and record them in public deeds until they are inscribed where required in the pertinent registries and to substitute the powers granted by the General Meeting of Shareholders.

Votes in favour: 100%

THIRTEEN.- Filing, for information purposes in relation to the annual report, the Directors' report, regulated under article 116 b of the Securities and Exchange Act, in accordance with the wording given in Law 6/2007/12 April.

Votes in favour: 99.395%

E.9 Indicate whether or not there is a statutory restriction to the minimum number of shares required to attend the General Meeting of Shareholders:

Yes No X

Number of shares required to attend the General Meeting of Shareholders	
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E.10 Indicate and justify the company's policies with regard to delegation of votes at the General Meeting.

Article 31 of the Articles of Association of Renta Corporación stipulates that, notwithstanding the attendance of the *legal-person shareholders* through whom the power of representation is held, all shareholders who have the right to attend can be represented at the General Meeting of Shareholders by another person even if they are not shareholders. The representation must be conferred in writing or by other means of communications which must duly guarantee the identity of the shareholder represented and his representative, as determined by the governing

body, especially for each General Meeting of Shareholders, under the terms and scope set down by the Spanish Companies Act and the Regulations of the General Meeting of Shareholders.

Furthermore, the Chairman, Secretary of the General Meeting of Shareholders or the persons appointed by them, will be empowered to determine the validity of the proxies conferred and compliance with the requirements to attend the General Meeting of Shareholders.

However, the above will not be applicable if the proxy is the spouse, ascendant or descendent of the shareholder represented; nor if it is the person who has been granted the general power in a public deed with powers to administer all the equity of the shareholder represented in Spain.

Representation is always revocable and the personal attendance of the represented shareholder at the General Meeting of Shareholders will be considered revocation of the proxy.

Thus, article 12 of the Regulations of the General Meeting of Shareholders stipulates that a proxy is always revocable. In general, and provided that the date can be accredited, the last action carried out by the shareholder before the General Meeting of Shareholders will be considered valid. If such certainty does not exist, the vote of the shareholder will prevail over the proxy. In any case, the personal attendance at the General Meeting of Shareholders of the represented shareholder will be considered the valid revocation of the proxy.

Notwithstanding the provisions of article 108 of the Spanish Companies Act, the proxy, which must be made for each General Meeting of Shareholders, must be granted in writing. When granted by other means of communication, it will only be valid if made:

- (i) by post, sending the Company the attendance card, expedited by the entity or entities in charge of recording the accounting entries, duly signed and filled in by the shareholders or by other written means, which, in the opinion of the Board of Directors in an resolution previously adopted to said effect, permits the due verification of the identity of the shareholder granting the proxy and that of the proxy he designates.
- (ii) by electronic means that duly guarantee the representation given and the identity of the proxy. This means will be permitted when the electronic document conferring the proxy includes the legally recognised electronic signature used by the shareholder represented or any other type of signature which, under the resolution adopted to said effect previously, is considered by the Board of Directors to properly meet the guarantees of authenticity and identification of the shareholder granting the proxy.

For validation, the proxy given using any of the means of communication mentioned above in this section, must be received by the Company 24 hours prior to the General Meeting of Shareholders on first call. The Board of Directors can establish a shorter period in accordance with the articles of association.

E.11 Indicate whether the Company is aware of the institutional investors' policy of participating or not in the Company decisions:

Yes No

Describe the policy

E.12 Indicate the address and means of access to corporate governance content on the website.

The Company's website is www.rentacorporacion.com. In order to access the contents of corporate governance on the website you must click on the tab "Information for shareholders and investors" and then on "Corporate Governance".

F. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the Company's degree of compliance with the recommendations given in the Unified Code of Good Governance.

- 1. The Articles of Association of listed companies should not limit the maximum number of votes that can be issued by the same shareholder or contain other restrictions that prevent the Company from being taken over through the purchase of its shares on the market.**

See epigraphs: A.9, B.1.22, B.1.23 and E.1, E.2.

Complies x Explain |

- 2. When the parent company and the subsidiary are listed, they must both publicly define the following in detail:**

- a) **The respective areas of activity and possible business relationships between them, as well as those of the dependent listed company with the remaining group companies;**
- b) **The mechanisms in place to solve possible conflicts of interest that may occur.**

See epigraphs: C.4 and C.7

Complies | Complies partially | Explain | Not applicable X

- 3. Although it is not expressly required in mercantile legislation, they should submit the transactions that involve a modification to the Company's structure for approval by the General Meeting of Shareholders, especially the following:**

- a) **The transformation of listed companies into holding companies through the creation of subsidiaries or the incorporation of essential activities into dependent enterprises that hitherto had been carried out by the company itself, even though this party holds full domain over the former;**
- b) **The acquisition or disposal of essential operating assets, when this involves an effective modification of the corporate purpose;**
- c) **Operations that have the same affect as liquidation of the company.**

Complies x Complies partially | Explain |

4. **The detailed proposals of the agreements to be adopted by the General Meeting of Shareholders, including the information referred to in Recommendation 28, should be published with the publication of the announcement of the call to the meeting.**

Complies X Explain |

5. **In the General Meeting of Shareholders, the matters that are substantially independent must be voted separately so that shareholders can exercise their voting preferences separately. And the said rule should be applied, in particular:**
- a) **To the appointment or ratification of Directors, which must be voted on separately;**
- b) **In the event of amendments to the Articles of Association, to each article or group of articles that are substantially independent.**

See epigraph: E.8

Complies X Complies partially | Explain |

6. **The companies should allow the division of the vote so that the financial brokers legitimated as shareholders but acting on behalf of different clients can issue their votes in accordance with the instructions given by the said clients.**

See epigraph: E.4

Complies X Explain |

7. **The Board should carry out its functions on the basis of a unified purpose and independence, giving the same treatment to all the shareholders and following the Company's interest, understood as maximising the Company's economic value in a sustained manner.**

It should also ensure that, in its relations with the stakeholders, the company observes legislation and regulations; fulfils its duties and contracts in good faith; observes the uses and good practices of the sectors and territories in which it operates; and observes the additional principles of social responsibility it has voluntarily accepted.

Complies X Complies partially | Explain |

8. **As the core of its mission, the Board should adopt the Company's strategy and the organisation required for its implementation, as well as supervising and controlling the management's fulfilment of targets and observance of the Company's corporate interest and purpose. Accordingly, in its plenary session, the Board reserves the competency for adopting the following:**

- a) **The general policies and strategies of the company, and more specifically:**
- i) **The strategic or business plan, as well as the management aims and annual budgets;**
 - ii) **The investment and finance policy;**
 - iii) **The definition of the group companies structure;**
 - iv) **The corporate governance policy;**
 - v) **The corporate social responsibility policy;**

- vi) **The remuneration policies and assessment of performance of senior management;**
- vii) **The policy for control and management of risks, as well as periodic monitoring of the internal information and control systems;**
- viii) **The dividend policy, as well as the treasury stock policy, with special focus on their limits.**

See epigraphs: B.1.10, B.1.13, B.1.14 and D.3

b) The following decisions:

- i) **At the proposal of the chief executive of the company, the appointment and possible resignation of senior executives, as well as their compensation clauses.**

See epigraph: B.1.14.

- ii) **The remuneration of Directors, as well as, in the case of executives, the additional remuneration through their executive duties and other conditions that their contracts must include.**

See epigraph: B.1.14.

- iii) **The financial information that must be published periodically, given its status as a listed company.**

- iv) **All kinds of investment or operations which, due to the amount or special characteristics, are of a strategic nature, unless approval falls to the General Meeting;**

- v) **The creation or acquisition of shareholdings in special purpose enterprises or enterprises with registered offices in countries or territories considered as tax havens, as well as any other transactions or operations of a similar nature which, due to their complexity, could hamper the Group's transparency.**

c) The operations that the company carries out with Directors, with major shareholders or shareholders represented on the Board, or with related parties ("related-party transactions").

However, this authorisation by the Board should not be considered necessary for the related-party transactions that meet the following three conditions:

- 1. They are carried out by virtue of contracts whose terms and conditions are standardised and applied generally too many clients;**
- 2. They are carried out at prices or rates generally established by the person acting as the supplier of the good or service in question;**
- 3. Their amount does not exceed 1% of the Company's annual revenue.**

It is recommended that the Board should approve the associated transactions after a favourable report has been issued by the Audit Committee or, where applicable, any other party to which that function has been commissioned; and, besides not exercising or delegating their right to vote, the members of the Board who are affected should leave the meeting room while the Board deliberates and votes on the matter.

It is recommended that it should not be possible to delegate the competencies attributed to the Board here, except for those mentioned in paragraphs b) and c), which may be adopted in emergencies by the Executive Committee and subsequently ratified by the Board in its plenary session.

See epigraphs: C.1 and C.6

Complies X Complies partially | Explain |

- 9. The Board should have the necessary size for effective, participatory operation, which means that it should not have fewer than five or more than fifteen members.**

See epigraph: B.1.1

Complies X Explain |

- 10. The external Proprietary and Independent Directors should represent a broad majority of the Board and the number of Executive Directors should be the required minimum, taking into account the complexity of the corporate group and the percentage of participation of the Executive Directors in the Company's capital.**

See epigraphs: A.2, A.3, B.1.3 and B.1.14.

Complies | Complies partially X Explain |

The independent and proprietary Directors and the other external Directors occupy 8 of the 12 seats on the Board. Furthermore, the number of executive officers is the minimum required taking into account the complexity of the group and the fact that the Chairman and Vice-Chairman occupy executive posts.

- 11. If there is an external Director who cannot be considered as either a proprietary or independent, the Company should explain the said circumstance and his/her association either with the Company or its executives, as well as with its shareholders.**

See epigraph: B.1.3

Complies X Explain | Not applicable |

- 12. Among the external Directors, the ratio between the number of Proprietary Directors and the Independent Directors should reflect the proportion between the Company's share capital represented by the Proprietary Directors and the rest of the share capital.**

This criterion of strict proportionality could be reduced as the weight of the Proprietary Directors is greater than that which would correspond to the total percentage of the share capital they represent:

- 1. In companies with high capitalisation in which the shareholdings legally considered as majority are very few or non-existent, but there are shareholders with stock that has an absolute high value.**

2. When these are companies that do not have a plurality of shareholders represented on the Board, and there are no related-parties between the shareholders.

See epigraphs: B.1.3, A.2 and A.3

Complies | Explain X

Not application, since one of the shareholders with a significant stake and sitting on the Board of Directors is an executive officer, with the exception of Mr. Blas Herrero, who is a proprietary Director.

13. The number of Independent Directors should represent at least one third of the total number of Directors.

See epigraph: B.1.3

Complies | Explain X

Renta Corporación follows the directives of the Regulations of the Board of Directors which in article 6.1 stipulates that the number of independent Directors should represent at least one third of all the Directors. They now represent 25%.

14. The character of each Director must be declared by the Board before the General Meeting of Shareholders, which shall effect or ratify their appointment, an appointment that shall be confirmed or reviewed annually, as appropriate, in the Annual Corporate Governance Report, with prior confirmation by the Appointments Committee. The said report should also explain the reasons why Proprietary Directors have been appointed at the request of shareholders whose holding is less than 5% of the share capital; and reasons should be given for the rejection, where applicable, of formal requests for presence on the Board from shareholders whose holding is equal to or higher than that of others at whose request Proprietary Directors have been appointed.

See epigraphs: B.1.3 and B.1.4

Complies X Complies partially | Explain |

15. That when the number of female Directors is very low or non-existent, the Board explains the reasons and the initiatives adopted to correct this situation; and that, more specifically, the Appointments Committee ensures that when new seats on the board are available:

a) The selection procedures are not affected by an implicit bias that prevents female Directors from being selected;

b) The company purposefully seeks women that satisfy the professional profile, including among potential candidates.

See epigraphs: B.1.2, B.1.27 and B.2.3.

Complies | Complies partially | Explain | Not applicable X

16. That the Chairman, as the person responsible for the effective performance of the Board, ensures that the Directors receive sufficient information beforehand; stimulates the debate and active participation of Directors during the Board Sessions, safeguarding their right to take their own position and express their own opinion; and organises and coordinates the periodic assessment of the

Board together with the chairmen of the relevant Committees as well as, if appropriate, that of the Managing Director or chief executive.

See epigraph: B.1.42

Complies X Complies partially | Explain |

17. **When the Chairman of the Board is also the Company's chief executive, one of the Independent Directors should be empowered to request the call to meeting of the Board or the inclusion of new matters on the agenda; coordinate and echo the concerns of the external Directors; and direct the Board's assessment of its Chairman.**

See epigraph: B.1.21

Complies X Complies partially | Explain | Not applicable |

18. **The Secretary of the Board should make particularly sure that the Board's actions:**

- a) **Comply with the content and spirit of the laws and their regulations, including those approved by the regulating bodies;**
- b) **Are in accordance with the Articles of Association of the company and with the Meeting Rules and Regulations, those of the Board and any others that the company has;**
- c) **Take into consideration recommendations concerning good governance set forth in this Unified Code which the company has accepted.**

And, in order to safeguard the Secretary's independence, impartiality and professionalism, his/her appointment and dismissal must be reported by the Appointments Committee and approved by the Board in its plenary session; and the said appointment and dismissal procedure must be laid down in the Board Regulations.

See epigraph: B.1.34

Complies X Complies partially | Explain |

19. **The Board should meet as regularly as necessary to carry out its functions effectively, following the schedule of dates and business laid down at the beginning of the year, where each Director may propose other business for the agenda not considered initially.**

See epigraph: B.1.29

Complies X Complies partially | Explain |

20. **The non-attendance of the Directors should be reduced to essential cases and quantified in the Annual Corporate governance Report. And if representation is essential, it must be designated with instructions.**

See epigraphs: B.1.28 and B.1.30

Complies X Complies partially | Explain |

21. **When the Directors or the Secretary express concern for any proposal or, in the case of the Directors, for the Company's progress and the said concern is not**

resolved by the Board, it should be recorded in the minutes of the meeting at the request of the person expressing the said concern.

Complies X Complies partially | Explain | Not applicable |

22. In its plenary session, the Board should assess the following once a year:

- a) The quality and effectiveness of the Board's performance;**
- b) Based on the report prepared by the Appointments Committee, the performance of the Chairman of the Board and the chief executive of the company;**
- c) The operation of its Committees, based on the report prepared by these.**

See epigraph: B.1.19

Complies X Complies partially | Explain |

23. All the Directors should be able to exercise the right to gather the additional information they consider necessary on business that falls within the competency of the Board. And, unless the Articles of Association or the Regulations of the Board lay down otherwise, they should address their requirement to the Chairman or Secretary of the Board.

See epigraph: B.1.42

Complies X Explain |

24. All the Directors have the right to obtain the advice they need for the fulfilment of their functions from the Company. The Company should lay down the appropriate ways of exercising this right, which, under special circumstances, could include external advisory services on the Company's account.

See epigraph: B.1.41

Complies X Explain |

25. The Company should establish a guidance programme to provide new Directors with rapid and sufficient knowledge of the Company, as well as its rules on corporate governance. And that they also offer Directors updated awareness programmes whenever circumstances deem such action advisable.

Complies | Complies partially | Explain X

Complies: In 2008 four Directors joined the Board: two proprietary Directors who, since they both hold shares in the company, already have knowledge of it, and two executive officers. Therefore, no orientation program was required to learn about the company quickly and sufficiently.

26. The Company should require the Directors to devote the time and effort necessary for carrying out their function effectively and, consequently:

- a) That the Directors notify the Appointments Committee of the other professional obligations in case these could interfere with the dedication required;**
- b) That the companies establish rules on the number of Boards of which their Directors can form part.**

See epigraphs: B.1.8, B.1.9 and B.1.17

Complies | Complies partially | Explain X

In spite of the fact that there are no formal rules on the number of boards that the Directors can form part of, the Board of Directors and the Appointments and Remuneration Committee are fully informed of the other professional obligations of each Director, and the number of boards on which they may be sitting. In any case, the Board ensures that all the Directors dedicate the time and effort necessary to their duties in order to carry them out effectively.

27. The proposal for the appointment or re-election of Directors raised by the Board to the General Meeting of Shareholders, as well as their provisional appointment by co-optation, should be approved by the Board:

a) **At the proposal of the Appointments Committee, in the event of independent Directors.**

b) **Following a report from the Appointments Committee, in the event of remaining Directors.**

See epigraph: B.1.2

Complies X | Complies partially | Explain |

28. The companies should publish the following information about their Directors on their website and keep the said information up-to-date:

- a) **Professional and biographical profile;**
- b) **Other Boards of Directors to which they belong, whether or not these are listed companies;**
- c) **An indication of the classification of Director to which they belong, specifying, in the event of proprietary Directors, the shareholder they represent or with whom they are linked.**
- d) **Date of the first appointment as Director of the company, as well as subsequent appointments; and**
- e) **Company shares and stock options of which they are the holder.**

Complies | Complies partially | Explain X

Complies: This documentation is on the website in the Annual Report.

29. The Independent Directors should not remain as such for a continued term of more than 12 years.

See epigraph: B.1.2

Complies | X | Explain |

30. The Proprietary Directors should present their resignation when the shareholder they represent sells all his/her shares in the Company. They should also present their resignation, in the corresponding number, when the said shareholder lowers his/her shares in the Company to a level that requires a reduction in the number of his /her Proprietary Directors.

See epigraphs: A.2, A.3 and B.1.2

Complies X | Complies partially | Explain |

31. That the Board of Directors does not propose the standing down of any independent Director prior to compliance with the statutory period for which they were appointed, unless there are good reasons observed by the Board following a report from the Appointments Committee. More specifically, justified reason shall be understood to exist when the Director has breached the duties that are inherent to their post or incurs any of the circumstances described in heading 5 of section III of definitions of this Code.

The dismissal of Independent Directors resulting from takeover bids, mergers or other similar corporate transactions that represent a change to the Company's share capital structure could be proposed when the said changes to the structure of the Board are brought about by the criterion of proportionality indicated in Recommendation 12.

See epigraphs: B.1.2, B.1.5 and B.1.26

Complies X Explain |

32. Companies should establish rules that oblige the Directors to report and, where applicable, resign in cases that can damage the Company's reputation and credit and, in particular, oblige them to inform the Board of the criminal cases in which they appear as an accused party, as well as their subsequent procedural events.

If the Director is tried or a sentence is issued against him/her for the commencement of a hearing for any of the crimes laid down in Article 124 of the Spanish Companies Act, the Board should examine the case as soon as possible and, in view of the specific circumstances, decide whether or not it is fitting for the Director to continue in his/her post. And, the Board should give a reasoned account of all the events in the Annual Corporate Governance Report.

See epigraphs: B.1.43, B.1.44

Complies X Complies partially | Explain |

33. All the Directors should clearly express their opposition when they consider that any proposed decision submitted to the Board may be contrary to the Company's interests. And this should apply especially to the Independent Directors and other Directors not affected by the potential conflict of interest in the case of decisions that may damage the shareholders not represented on the Board.

When the Board adopts significant or reiterated decisions on which the Director has formulated serious reservations, the said Director should draw the corresponding conclusions and, if he/she decides to resign, explain the reasons in the letter referred to in the following Recommendation.

The scope of this Recommendation also includes the Secretary of the Board, even though he/she does not have the status of Director.

Complies | Complies partially | Explain | Not applicable X

34. When, either due to resignation or any other reason, a Director abandons his/her post before the end of his/her mandate, he/she should explain the reasons in a letter sent to all the members of the Board. And, without prejudice to the said resignation being notified as a relevant event, the reason for the resignation should be accounted for in the Annual Corporate Governance Report.

See epigraph: B.1.5

Complies X Complies partially | Explain | Not applicable |

35. The remuneration policy approved by the Board should indicate at least the following:

- a) Amount of the fixed elements, with a breakdown if applicable of the allowances for participation on the Board and its Committees and an estimate of the annual fixed remuneration to which they are entitled
- b) Variable payment, specifically including:
 - i) Classification of Directors that apply, as well as an explanation of the relative importance of the variable items with regard to the fixed items.
 - ii) Results assessment criteria on which any right to payment in shares, options over shares or any variable component is based;
 - iii) Fundamental parameters and basis of any annual premium system (bonus) or other benefits not paid in cash; and
 - iv) An estimate of the absolute amount of the variable remuneration arising from the proposed remuneration plan in accordance with the level of fulfilment of the hypotheses or objectives taken as reference.
- c) Key features of the complementary pensions, life-assurance policies and similar, with an estimate of the annual equivalent amount or cost.
- d) Conditions that must be included in the contracts of senior management such as executive Directors:
 - i) Duration;
 - ii) Periods of notice; and
 - iii) Any other clauses concerning joining bonuses, as well as compensation or golden parachute clauses through early termination or termination of the contractual relationship between the company and the executive Director.

See epigraph: B.1.15

Complies X Complies partially Explain |

36. The remuneration made through shares in the company or companies in the Group, options over shares or instruments referenced to the value of the share, variable remuneration associated with the Company's performance or social security systems should be limited to the Executive Directors.

This Recommendation will not cover the provision of shares when it is conditioned to the Directors maintaining them until their resignation as a Director.

See epigraphs: A.3, B.1.3

Complies X Explain |

37. The remuneration of the external Directors must be the amount necessary for compensating the devotion, qualification and responsibility required by the post; but not so high as to compromise their independence.

Complies X Explain |

38. The remuneration related to the Company's results should take into account the possible exceptions included in the external auditor's report, which may reduce the said results.

Complies | Explain | Not applicable X

39. In the case of variable remuneration, the remuneration policies should incorporate the necessary technical precautionary measures to ensure that the said remuneration is related to the professional devotion of the beneficiaries and do not result simply from the general evolution of the markets or the Company's activity sector or other similar circumstances.

Complies X | Explain | Not applicable |

40. The Board should submit a report on the Directors' remuneration policy to vote at the General Meeting of Shareholders, as a separate, consultative matter on the agenda. The said report should be made available to the shareholders either separately or in any other way the Company considers appropriate.

The said report should focus particularly on the remuneration policy approved by the Board for the present year, as well as, where applicable, the policies anticipated for future years. It shall include all the matters referred to in Recommendation 35, except for circumstances that may suppose the revelation of sensitive commercial information. It shall underline the most significant changes in the said policies with regard to that applied during the past year to which the General Meeting refers. It shall also include an overall summary of how the remuneration policy was applied during the past year.

The Board should also report on the role played by the salaries committee in the preparation of the remuneration policy and, if external consultancy services are used, on the identity of the external consultants providing the service.

See epigraph: B.1.16

Complies X | Complies partially | Explain |

41. The report should give details of the individual remuneration paid to Directors during the year, and include:

a) The individualised breakdown of payment to each Director, which shall include, if appropriate:

- i) The attendance allowances and other fixed remuneration as Director;
- ii) Additional payments as chairman or member of any of the Board's committees;
- iii) Any payment as profit share or bonuses, and the reason why these were given;
- iv) Defined contributions to pension schemes in favour of the Director; for the increase of the Director's consolidated rights, when these are contributions to defined payment plans;
- v) Any agreed or paid compensation in the event of termination of their duties;
- vi) Remuneration received as Director of other group companies;

- vii) **Payments for the performance of senior management duties carried out by executive Directors;**
 - viii) **Any other payment item other than the foregoing, regardless of their nature or the group company that pays them, especially when it is considered as a related-party operation or leaving it out would distort the true image of total payments received by the Director.**
- b) **The individualised breakdown of any shares of stock options given to Directors, or any other instrument pegged to the share value, with a breakdown of:**
- i) **Number of shares or options granted over the year and the conditions for the exercise of these;**
 - ii) **Number of options exercised over the year with an indication of the number of shares affected and the price;**
 - iii) **Number of options pending exercise at the year-end, an indication of their price, date and other requirements to exercise these;**
 - iv) **Any modification over the year of the terms for exercising the options already granted.**
- c) **Information on the ratio, the previous year, between the remuneration obtained by executive Directors and the profits or other performance indicators of the company.**

Complies | Complies partially x Explain |

Article 25.9 of the Regulations of the Board of Directors lays down that the Board of Directors will evaluate the need for including in the Notes to the Accounts all or part of the information on the individual remuneration of the Directors during the year, in accordance with the recommendation of corporate governance applicable at all times. However, to date the remuneration of the Directors is reported in the notes to the accounts globally.

42. When there is a Delegated or Executive Committee (hereinafter called "Executive Committee"), the participation structure of the various categories of Directors should be similar to that of the Board itself and its Secretary should be the Secretary of the Board.

See epigraphs: B.2.1 and B.2.6

Complies | Complies partially | Explain | Not applicable X

43. The Board should always be aware of the matters dealt with and the decisions adopted by the Executive Committee and all the members of the Board should receive a copy of the minutes of the sessions of the Executive Committee.

Complies | Explain | Not applicable x

44. That in addition to the Audit Committee required through the Securities Exchange Act, the Board of Directors also constitutes one Committee, or two separate Committees, for Appointments and Remuneration.

The rules governing the make-up and operation of the Audit Committee and the Appointments and Remuneration Committee or Committees should be given in the Regulations of the Board and include the following:

- a) That the Board designates the members of these Committees, in accordance with the knowledge, skills and experience of the Directors and the duties of each Committee; deliberate on the proposals and reports; and report on the activity and the work carried out at the first plenary Board meeting following the committee meetings;
- b) That these Committees are made up exclusively of external Directors, with a minimum of three. The above is understood as without prejudice to the attendance of Executive Directors or senior executives when so agreed expressly by the members of the Committee.
- c) Their Chairmen should be Independent Directors.
- d) That outsourced consultancy can be used whenever deemed necessary for the performance of their duties.
- e) That minutes of their meetings be taken, with a copy sent to all board members.

See epigraphs: B.2.1 and B.2.3

Complies | Complies partially X Explain |

In spite of the fact that the Audit Committee and the Appointments and Remuneration Committee are not made up exclusively of External Directors, Renta Corporación complies with the Articles of Association and the Regulations of the Board of Directors laying down that the Audit Committee be made up of 3 Directors, a majority of whom are non-executive and that the Appointments and Remuneration Committee be made up of 3 Directors, all of whom are external, to the extent possible given the composition of the Board of Directors.

45. That the supervision of compliance with the internal codes of conduct and the rules of corporate governance are attributed to the Audit Committee, to the Appointments Committee or, if these are separate, to the Compliance or Corporate Governance Committee.

Complies X Explain |

46. The members of the Audit Committee and, in particular, its Chairman should be appointed on the basis of their know-how and experience in bookkeeping, audits and risk management.

Complies X Explain |

47. The listed companies should have an internal audit function which, under the supervision of the Audit Committee, should monitor the correct functioning of the internal control and information systems.

Complies X Explain |

48. The person responsible for the internal audit function should present his/her annual work plan to the Audit Committee; he/she should inform it directly of the incidents occurring during its development; and, at the end of each year, submit an activities report.

Complies X Complies partially | Explain |

49. The risk management and control policies should identify at least:

- a) The different kinds of risk (operational, technological, financial, legal, those affecting the corporate reputation, etc.) which are faced by the company

and which include - as part of the financial or economic risks - contingent liabilities and other off-balance sheet risks;

- b) The setting of the risk level that the company believes is acceptable;
- c) The mechanisms to mitigate the impact of the risks identified, in the event that they materialise;
- d) Internal control and information systems which shall be used to control and manage the foregoing risks, including the contingent liabilities or off-balance sheet risks.

See epigraph: D

Complies X Complies partially | Explain |

50. The Audit Committee should be responsible for the following:

1. In relation to the internal control and information systems:

- a) Supervising the preparation and completeness of the financial information concerning the company and, if appropriate, the group, checking due compliance with the governing regulations, the proper delimitation of the consolidation criteria and the correct application of accounting criteria
- b) Periodically checking the internal control systems and risk management, to identify, manage and notify the key risks properly
- c) Ensuring the independence and effectiveness of the internal audit function; proposing the selection, appointment, re-election and dismissal of the person in charge of the internal audit service; forwarding the budget for this service; receiving periodic information on its activities, and verifying that senior management considers the conclusions and recommendations in its reports.
- d) Setting up and supervising a mechanism that enables employees to communicate any irregularities of importance, especially those of a financial and bookkeeping nature, and to do so in a confidential manner.

2. In relation to the external auditor:

- a) Presenting the Board with proposals for selection, appointment, re-election and replacement of the external auditor, as well as their contractual terms.
- b) Receiving regular information from the external auditor on the audit plan and the results of carrying it out, and checking that senior management take its recommendations into account
- c) Ensuring the independence of the external auditor and, to this end:
 - i) That the company notifies the change of auditor to the CNMV as a relevant event and attaches a declaration on the possible existence of disagreements with the outgoing auditor and, if there are any disagreement, the content thereof.
 - ii) That the company and the auditor be seen to respect the current rules governing the provision of services other than audit services, the limits on business concentration of the auditor and, in general, the other norms established to ensure independence of auditors;

iii) In the case of the resignation of the external auditor, it should examine the circumstances leading to the said resignation.

d) In the event of groups, to see that the group auditor accepts liability for the audits of the companies that make up the group.

See epigraphs: B.1.35, B.2.2, B.2.3 and D.3

Complies X Complies partially | Explain |

51. The Audit Committee should be able to call any of the Company's employee or manager, and also have them appear without the presence of any other executive.

Complies X Explain |

52. The Audit Committee should report to the Board before the Board adopts the corresponding decisions on the following matters indicated in Recommendation 8:

a) The financial information that must be published periodically, given its status as a listed company. The Committee should ensure that the intermediate accounts are prepared under the same bookkeeping criteria as the annual accounts and, accordingly, consider the appropriateness of a limited review by the external auditor.

b) The creation or acquisition of shareholdings in special purpose enterprises or enterprises with registered offices in countries or territories considered as tax havens, as well as any other transactions or operations of a similar nature which, due to their complexity, could hamper the Group's transparency.

c) The related-party transactions, unless that preliminary report function has been attributed to another of the supervision and control committees.

See epigraphs: B.2.2 and B.2.3

Complies X Complies partially | Explain |

53. The Board of Directors should seek to present the accounts to the General Meeting without reservation or exception in the auditors' report and, in whatsoever exceptional case, both the Chairman of the Audit Committee and the auditors should clearly explain to shareholders the content and scope of the said reservations or exceptions.

See epigraph: B.1.38

Complies X Complies partially | Explain |

54. Most of the members of the Appointments Committee (or the Appointments and Remuneration Committee, if there is only one Committee) should be Independent Directors.

See epigraph: B.2.1

Complies | Explain X Not applicable |

Explained in point 44.

55. Besides the functions indicated in the above recommendations, the following responsibilities should correspond to the Appointments Committee:

- a) Assessing the skills, knowledge and experience required on the Board, subsequently defining the duties and aptitudes required by the candidates to cover each vacancy, and assessing the time and dedication required to correctly perform their duties.**
- b) Properly examining and organising the succession of the Chairman and chief executive and, if appropriate, making proposals to the Board to enable the foregoing succession to occur in an organised and well planned manner.**
- c) Reporting the appointments and resignations of senior executives proposed to the Board by the chief executive.**
- d) Notifying the Board on the gender diversity issues shown in Recommendation 14 of this Code.**

See epigraph: B.2.3

Complies X Complies partially | Explain | Not applicable |

56. The Appointments Committee should consult the Company's Chairman and chief executive, especially with regard to business concerning the Executive Directors.

And that any Director may request the Appointments Committee to consider potential candidates they consider ideal to cover vacancies.

Complies X Complies partially | Explain | Not applicable |

57. Besides the functions indicated in the above Recommendations, the following responsibilities should correspond to the Remuneration Committee:

- a) Proposing to the Board of Directors:**
 - i) The remuneration policy for directors and senior executives;**
 - ii) Individual remuneration of executive Directors and the other conditions of their contracts.**
 - iii) The basic contractual conditions of senior executives.**
- b) To ensure that the remuneration policy established by the company is duly observed.**

See epigraphs: B.1.14, B.2.3

Complies X Complies partially | Explain | Not applicable |

58. The Remuneration Committee should consult the Company's Chairman and chief executive, especially with regard to business concerning the Executive Directors and senior executives.

Complies X Explain | Not applicable |

G OTHER INFORMATION OF INTEREST

If you consider that there is any important principle or aspect regarding the corporate governance practices applied by your company which have not been covered in this report, please explain below.

Yes:

- A) In point B.1.11 section a) please note that most of the amount that has been calculated as others relates to the indemnities paid as a result of the departure from the company of certain executive officers during 2008. The amount of 5,272 also includes the salaries of these executive officers while they were with the company. Therefore, without taking into the account the salary and indemnities these Directors received in 2008 the amount stated would be reduced to 1,696.
- B) In point B.1.11 section d): total remuneration of the Directors /profit attributed to the parent company (in %), the figure of 0% appears, since the % of loss cannot be calculated.
- C) In point B.1.12 Total senior management remuneration includes the remuneration of Juan Velayos Lluís, David Vila Balta and Margarita Cardona Tur during the time that they were General Secretary, General Operations Manager and Internal Auditor, respectively.
- D) In point E.7 the information on the attendance at the General Meetings of Shareholders is 73.628%. This includes the 0.794% of treasury stock.

In this section, you may include any other information, explanation or details related to the above sections of the report.

More specifically, indicate whether your company is subject to any corporate governance legislation other than Spanish law, and if so, include any information that is mandatory and different from that requested herein.

Binding definition of Independent Director:

Indicate whether or not any of the Independent Directors has or has had any relationship with the Company, its significant shareholders or executives which, if sufficiently significant or important, would have meant that the Director could not be considered as independent in accordance with the definition laid down in section 5 of the Unified Code of Good Governance:

Yes No

Director's name	Relationship type	Explanation

Date and signature:

This Annual Corporate Governance Report has been adopted by the Board of Directors of the Company in its session held on

31/03/2009

Indicate whether or not there have been Directors who voted against or abstained from voting on the adoption of this report.

Yes No

Name or company name of the Director not voting in favour of the adoption of this report	Reasons (against, abstention, not present)	Explain the reasons

