

Euskaltel approves Incentive Plan to align Key Executives with Shareholders

- **The Plan is based on the value created for shareholders over the next 3 years**
- **Important component for Euskaltel's Transformation and National Expansion Plan**
- **Targeted at up to 40 senior managers. Important in attracting and retaining key talent**
- **Provides the opportunity to share in up to 4% of equity value creation**

Bilbao, January 28th, 2020. Euskaltel announced today that its Board of Directors has approved a Long Term Incentive Plan for its management team based on the value created for shareholders over the next three years.

The Plan is designed to align Euskaltel's key management with the interests of shareholders and is a fundamental pillar for Euskaltel's transformation, including National Expansion. The plan is targeted at up to 40 senior managers and key contributors of the Euskaltel Group.

There is a minimum threshold within the Plan that requires a significant increase over Euskaltel's current share price. The Plan creates the opportunity to share in up to 4% of equity value creation over the next three years. This 4% maximum can only be achieved once Euskaltel's equity value is equivalent to a share price of €19, representing a value gain for shareholders of over €2 billion. A portion of the incentive will be linked to the achievement of specific cash flow targets.

This Long Term Incentive Plan will be a key asset to attract and retain the talent the company needs to deliver its strategic objectives and continue to drive positive results to create value for shareholders.