

APPENDIX I TEMPLATE

**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED
SPANISH COMPANIES**

ISSUER IDENTIFICATION DATA

REFERENCE REPORTING DATE

31/12/2023

Tax Identification

Company Name:

INMOBILIARIA COLONIAL, SOCIMI, S.A.

Registered Office:

PASEO DE LA CASTELLANA 52, MADRID

**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED
SPANISH COMPANIES**

A. OWNERSHIP STRUCTURE

A.1 Fill out the following table on the share capital and attached voting rights at year-end, where applicable including those relating to shares with loyalty voting rights:

Indicate whether the Company Bylaws provide for double loyalty voting rights:

NO

YES

Date of the last change to the share capital	Share capital (€)	Number of shares	Number of voting rights (excluding additional loyalty votes)	Number of additional voting rights attached to shares with loyalty voting rights	Total number of voting rights, including additional votes conferred as loyalty votes
06/09/2021	1,349,039,092.50	539,615,637	539,615,637	N/A	539,615,637

Indicate whether there are different types of shares with different associated rights:

Yes

No

A.2 Provide details of the direct and indirect holders of significant stakes at year-end, including directors with a significant stake:

Name or company name of the shareholder	% voting rights attached to the shares (including loyalty votes)		% voting rights through financial instruments		% total voting rights	Of the total number of voting rights attached to the shares, indicate any additional votes attached to shares with loyalty voting rights	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
AGUILA LTD	0	5.35	0	1.75	7.10	N/A	N/A
BLACKROCK INC	0	3.02	0	0.91	3.93	N/A	N/A
CORPORACIÓN FINANCIERA ALBA, S.A.	5.01	0	0	0	5.01	N/A	N/A
CREDIT AGRICOLE S.A.	0	4.17	0	0	4.17	N/A	N/A
FERNANDEZ GONZALEZ, CARLOS	0	14.83	0	0	14.83	N/A	N/A
PUIG, S.A.	0	7.37	0	0	7.37	N/A	N/A
QATAR INVESTMENT AUTHORITY	0	19.03	0	0	19.03	N/A	N/A

Observations
Mr Carlos Fernández González has close ties with Finaccess México, S.A. de C.V., Sociedad Operadora de Fondos de Inversión, which has an indirect stake of 0.46% in Colonial's share capital. The direct holder of the stake is Latin 10, S.A. de C.V., a fund independently managed by Finaccess México, S.A. de C.V.

Details of the indirect stake:

Name or company name of the indirect holder	Name or company name of the direct holder	% voting rights attached to the shares (including loyalty votes)	% voting rights through financial instruments	% total voting rights	Of the total number of voting rights attached to the shares, indicate any additional votes attached to shares with loyalty voting rights	
AGUILA LTD	PARK, S.A.R.L.	5.35	0	5.35	N/A	N/A
AGUILA LTD	SIERRA NEVADA (BERMUDA) LP	0	1.75	1.75	N/A	N/A
BLACKROCK INC ⁽¹⁾	BLACKROCK HOLDING	3.02	0.91	3.93	N/A	N/A
CREDIT AGRICOLE, S.A.	PREDICA	4.17	0	4.17	N/A	N/A
FERNANDEZ GONZALEZ, CARLOS	FINACCESS INMOBILIARIA, S.L.	13.33	0	13.33	N/A	N/A
FERNANDEZ GONZALEZ, CARLOS	FINACCESS CAPITAL INVERSORES, S.L.	1.09	0	1.09	N/A	N/A
FERNANDEZ GONZALEZ, CARLOS	FINACCESS CAPITAL, S.A. DE C.V.	0.41	0	0.41	N/A	N/A
PUIG, S.A.	EXEA INVERSIONES INMOBILIARIAS, S.L.	7.37	0	7.37	N/A	N/A
QATAR INVESTMENT AUTHORITY	QATAR HOLDING NETHERLANDS BV	14.99	0	14.99	N/A	N/A
QATAR INVESTMENT AUTHORITY	DIC HOLDING LLC	4.04	0	4.04	N/A	N/A

Indicate the most significant changes in shareholder structure during the year:

Most significant changes
(1) On 22 December 2023, Corporación Financiera Alba, S.A. informed the Company that the voting rights attached to its shares had gone above 3%.
(2) On 23 January 2023, Blackrock Inc. informed the Company that the voting rights attached to its shares had gone above 3%.

A.3 Provide details of the stake, regardless of its percentage, held at year-end by those members of the Board who hold voting rights attached to shares in the company or through financial instruments, excluding the directors identified in section A.2 above:

Name or company name of the director	% voting rights attached to the shares (including loyalty votes)		% voting rights through financial instruments		% total voting rights	Of the % of total voting rights that may be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Mr Juan José Brugera Clavero	0.11	0.00	0.00	0.00	0.11	0.00	0.00
Mr Pedro Viñolas Serra	0.10	0.00	0.00	0.00	0.10	0.00	0.00
Mr Luis Maluquer Trepas	0.01	0.00	0.00	0.00	0.01	0.00	0.00

Name or company name of the director	% voting rights attached to the shares (including loyalty votes)		% voting rights through financial instruments		% total voting rights	Of the % of total voting rights that may be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Ms Ana Peralta Moreno	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ms Silvia Alonso-Castrillo Allain	0.00	0.00	0.00	0.00	0.00	0.00	0.00

% of total voting rights held by members of the Board of Directors	15.05%
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Details of the indirect stake:

Name or company name of the director	Name or company name of the direct holder	% voting rights attached to the shares (including loyalty votes)	% voting rights through financial instruments	% total voting rights	% total voting rights that may be transferred through financial instruments
Mr Luis Maluquer Trepas	Ms Marta Maluquer Domingo	0.00	0.00	0.00	0.00

Observations
All the directors reported on in this section have voting rights on company shares, although in some cases this stake is less than 0.01 % of the share capital of Inmobiliaria Colonial, SOCIMI, S.A.

Details of the total percentage of voting rights represented in the Board of Directors:

% of total voting rights represented in the Board of Directors	48.55%
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Observations
Shareholdings held by significant shareholders that have Board representation but do not have direct director status: - Aguila LTD: 7.10% - Puig, S.A.: 7.37% - Qatar Investment Authority: 19.03 %

A.4 Indicate, as applicable, any family, commercial, contractual or corporate relationships between owners of significant stakes, insofar as these are known by the company, unless they are insignificant or arise from ordinary trading or exchange activities, except for those reported in section A.6:

Related name or corporate name	Type of relationship	Brief description
No data		

A.5 Indicate, as applicable, any commercial, contractual or corporate relationships between owners of significant shareholdings, and the company and/or its group, unless they are insignificant or arise from ordinary trading or exchange activities:

Related name or corporate name	Type of relationship	Brief description
PUIG, S.A.	Corporate	Colonial and the company Inmo, S.L., which belongs to the Puig, S.A. group, jointly own (50% each) a 21-storey building with a surface area of 14,000 m ² at Plaza Europa, 34, L'Hospitalet de Llobregat.

A.6 Describe the relationships, unless insignificant for both parties, between the significant shareholders, or their representatives, on the Board, and the directors, or their representatives, when the administrators are a legal entity.

Explain, where appropriate, how the significant shareholders are represented. In particular, specify any directors who have been appointed to represent significant shareholders, those whose appointment was promoted by significant shareholders, or those who were related to significant shareholders and/or entities in their group, indicating the nature of such relationship. Indicate, in particular, the existence, identity and position, if any, of members of the Board, or directors' representatives, of the listed company who are also members of the governing body, or their representatives, in companies with a significant stake in the listed company or in group companies of such significant shareholders.

Name or company name of the related director or representative	Name or company name of related significant shareholder	Company name of the significant shareholder's group company	Description of the relationship/position
Mr Juan Carlos García Cañizares	Aguila Ltd.	Bevco Lux, S.A.R.L.	Director
Mr Juan Carlos García Cañizares	Aguila Ltd.	SIN International Holdings, S.A.R.L.	Director
Mr Juan Carlos García Cañizares	Aguila Ltd.	Park, S.A.R.L.	Director
Ms Begoña Orgambide García	Grupo Finaccess S.A.P.I. de C.V.	Finaccess Inmobiliaria, S.L.	Board member
Ms Begoña Orgambide García	Grupo Finaccess S.A.P.I. de C.V.	Finaccess Capital Inversores	Board member
Sheikh Ali Jassim M.J. Al-Thani	Qatar Investment Authority	Al Nura Bank	Director
Sheikh Ali Jassim M.J. Al-Thani	Qatar Investment Authority	26 Champs Elysees	Director
Sheikh Ali Jassim M.J. Al-Thani	Qatar Investment Authority	Hapag-Lloyd	Director
Sheikh Ali Jassim M.J. Al-Thani	Qatar Investment Authority	Rayyan Islamic Bank	Director
Mr Giuliano Rotondo	Qatar Investment Authority	Qatar Investment Authority	Director
Mr Giuliano Rotondo	Qatar Investment Authority	Coima Res S.p.A.	Director
Mr Giuliano Rotondo	Qatar Investment Authority	Nova Bocana Barcelona, S.A.	Director
Mr Giuliano Rotondo	Qatar Investment Authority	Danube Holding LLC	Director
Mr Manuel Puig Rocha	Puig, S.A.	Puig, S.A.	Deputy Chairman

Observations

A.7 Indicate whether the Company has been notified of any shareholders' agreements affecting it as provided in Articles 530 and 531 of the Spanish Limited Liability Companies Law. If so, provide a brief description and list the shareholders that are party to the agreement:

Yes []

No [X]

Indicate whether the company is aware of the existence of any concerted actions among its shareholders. Give a brief description as applicable:

Yes []

No [X]

Expressly indicate any amendments to, or termination of, such covenants, agreements or concerted actions during the year:

A.8 Indicate whether any individual or legal entities currently exercise control or could exercise control over the company pursuant to Article 4 of the Securities Market Law. If so, identify them

Yes []

No [X]

A.9 Complete the following tables on the Company's treasury shares:

At year-end:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
7,993,765	N/A	1.48%

(*) Through:

Name or company name of the direct holder of an ownership interest	Number of direct shares
N/A	
Total:	

Explain the significant changes that occurred during the year:

Explain the significant changes
<p>Sale and purchase transactions were carried out in 2023 through a financial intermediary (Banco Sabadell) pursuant to a liquidity contract concluded on 4 January 2022. In particular, a total of 18,906,010 shares were purchased, and 18,999,225 sold, in 2023.</p> <p>In addition, a total of 131,390 shares were awarded to Colonial employees in 2023.</p>

A.10 Give details of the applicable conditions and current timeline for the general meeting to authorise the board of directors to issue, buy back or transfer treasury shares.

<p>At its meeting on 21 June 2022, the General Meeting of Shareholders of Colonial granted authorisation to the Board of Directors for the derivative acquisition of treasury shares under item five of the agenda. As to the terms and conditions of the authorisation: i) the nominal value of the shares directly or indirectly acquired, in addition to those already held by the</p>

Company and its subsidiaries, may not exceed 10% of the subscribed share capital or any maximum amount that may be established by law; ii) the minimum price or consideration for the acquisition shall be €0.01 per share, and the maximum price or consideration for the acquisition shall be the equivalent of the listing price of the treasury shares acquired on an official regulated secondary market at the time of acquisition plus a maximum of 5%, which may be increased to up to 25% above the share price if the treasury shares are acquired by means of a public offer to all shareholders; iii) the procedure for acquisition may be sale and purchase, swap or any other type of transaction for consideration, as may be advisable in the circumstances; and iv) the authorisation is given for 5 years. The authorisation granted expressly provides that the shares acquired may be used in whole or in part for delivery or transfer to the directors, executives or employees of the Company or Group companies, directly or as a result of their option rights, within the scope of the Company's share price-based remuneration systems.

Regarding the power to issue shares, the General Meeting of Shareholders of Inmobiliaria Colonial, SOCIMI, S.A. held on 30 June 2021 authorised the Board of Directors, under item five of the agenda and in accordance with Article 297.1b) of the Spanish Limited Liability Companies Law, to increase the share capital by means of monetary contributions by up to half the amount of the share capital, within a maximum of five years, on one or more occasions, at the time and in the amounts it may deem appropriate. Within the maximum amount specified, the Board of Directors was given the power to disapply preemptive rights up to a maximum 20 % of the share capital.

In addition to the foregoing, the General Meeting of Shareholders of Inmobiliaria Colonial, SOCIMI, S.A., at its meeting of 30 June 2021, authorised the Board of Directors, under item six of the agenda, to issue on behalf of the Company, once or several times and for a maximum period of five years, new bonds that can be converted into Company shares or other similar securities giving their holder the direct or indirect right to subscribe for shares in the Company, with the express option to disapply shareholders' pre-emptive rights up to a maximum of 20% of the share capital and to increase the share capital as may be necessary to cater for the conversion. As part of the long-term incentive plan consisting of the award of shares in Inmobiliaria Colonial, SOCIMI, S.A. approved at the General Meeting of 30 June 2021, it was resolved to authorise the Board of Directors to acquire the Company's treasury shares under the terms, and subject to the limits, established by law in order to cover the implementation of the Plan.

A.11 Estimated floating capital:

	%
Estimated floating capital	36.86%

Observations

A.12 Give details of any restrictions (statutory, legal or otherwise) on the transfer of securities and/or voting rights. In particular, detail the existence of any kinds of restrictions that could hinder the company takeover through the purchase of its shares in the market, as well as any prior authorisation or communication rules that, with regard to the purchase or transfer of financial instruments in the company, would be applicable under the industry regulations.

Yes []

No [X]

Description of the restrictions

A.13 Indicate whether the general meeting has resolved to adopt neutralisation measures to address a takeover bid by virtue of the provisions of Law 6/2007.

Yes []

No [X]

If applicable, explain the measures approved and the terms under which these restrictions may be lifted:

Explain the measures approved and the terms under which these restrictions may be lifted

A.14 Indicate whether the company has issued securities not traded in a regulated market of the European Union.

Yes []

No [X]

Where applicable, state the various classes of shares, and the rights and obligations attached to each class.

B. GENERAL MEETING

B.1 Indicate and state, if any, the differences with respect to the minimums stipulated in the Spanish Limited Liability Companies Law (LSC) with regard to the quorum required for the constitution of the general meeting.

Yes []

No [X]

B.2 Indicate and, as applicable, describe any differences between the company's system of adopting corporate resolutions and the framework established in the Spanish Limited Liability Companies Law (LSC):

Yes []

No [X]

B.3 Indicate the rules governing amendments to the company's bylaws. In particular, indicate the majorities required to amend the bylaws and, if applicable, the rules for protecting shareholders' rights when the bylaws are amended.

Under the Company Bylaws, in order for the General Meeting to validly resolve to increase or reduce share capital or make any other amendment to the Company Bylaws, shareholders holding at least 50 % of the subscribed capital with voting rights must be present or represented on first call. On second call, shareholders representing 25 % of share capital shall be sufficient. As regards the adoption of resolutions, the Bylaws establish that issues that are substantially independent shall be voted on separately, in particular the amendment of any article or group of articles in the Company Bylaws which stand alone. Furthermore, a vote in favour by more than 50 % of the share capital present in person or by proxy shall be sufficient to adopt resolutions with an absolute majority, whereas a vote in favour by two thirds of the share capital present in person or by proxy at the General Meeting shall be necessary when, on second call, the shareholders present represent 25 % or more of the subscribed capital with voting rights, but less than 50 %.

B.4 Indicate the attendance figures for the general meetings held during the year and those of the previous two years:

Date of the General Meeting	Attendance information				
	% attendance	% attendance by proxy	% distance voting		Total
			Electronic voting	Other	
15/06/2023	1.88	59.57	0.00	18.1	79.55
Of which floating capital:	0.16	25.26	0.00	1.2	26.62
21/06/2022	1.87	71.73	0.00	10.13	83.73
Of which floating capital:	0.14	31.99	0.00	0.00	32.13
30/06/2021	0.69	53.77	0.00	27.95	82.41
Of which floating capital:	0.00	29.59	0.00	0.15	29.74
28/06/2021	20.89	26.40	0.00	28.72	76.01
Of which floating capital:	0.00	26.40	0.00	2.80	29.20

B.5 Specify if there have been any items on the agenda at the General Meetings held during the year that, for whichever reason, were not adopted by the shareholders.

Yes []

No [X]

B.6 Indicate whether the bylaws contain any restrictions with respect to a minimum number of shares required to attend general meetings or to vote remotely:

Yes [X]

No []

Number of shares required to attend general meetings	500
Number of shares needed to vote remotely	1

Observations
<p>In order to facilitate the exercise of the right to vote remotely on General Meeting resolutions, Colonial does not require a minimum number of shares to vote remotely. Under Article 19 of the Company Bylaws, General Meetings of Shareholders may be attended and voted at, in person or by proxy, by shareholders holding, individually or as a group, at least 500 shares, which must be entered in the register of shareholders at least 5 days before the date scheduled for the General Meeting, and provided they can prove this by showing, at the registered office or at the entities specified in the call notice, the relevant authentication certificate or attendance card issued by Colonial or any entities responsible for keeping the register of book entries or any other method allowed by the current legislation. And for the purpose of ensuring adequate exercise of voting rights, shareholders may vote at the General Meeting or grant proxy by remote means (i.e. by post, electronically or any other remote media, provided that the shareholder's identity is guaranteed and, where appropriate, electronic communications are secure). Shareholders who vote remotely will be considered as present for the purposes of quorum of the Meeting (Art. 12 of the Regulations of the General Meeting). The possibility of exercising remote voting rights has been indicated, and shareholders have been duly informed in the notice of the General Meeting.</p> <p>The Company's Board of Directors may enable, for each General Meeting, remote attendance by the shareholders and proxies by electronic means concurrently. In such event, the Board of Directors will establish the terms, forms and means set for shareholders and proxies to exercise their rights, in accordance with the law, the Company Bylaws and the Regulations of the General Meeting. All this will be included in the meeting notice.</p>

B.7 Indicate if there is a rule establishing that certain decisions, other than those established by law, that involve the purchase, disposal, contribution to another company of key assets, or other similar corporate operations, should be put to the vote at the General Meeting of Shareholders.

Yes []

No [X]

B.8 Indicate the address and method for accessing corporate governance content on the company's website, as well as other information on general meetings that must be made available to shareholders on the Company website.

<https://www.inmocolonial.com/accionistas-e-inversores/accionistas-e-inversores>

Through this access, shareholders and the general public are provided with all legally required information, in addition to any that may be considered necessary by the Company for greater transparency and better compliance with good market practices in the area of corporate governance.

C. STRUCTURE OF THE COMPANY'S GOVERNING BODY

C.1 Board of Directors

C.1.1 The maximum and minimum number of directors stipulated in the Company Bylaws and the number stipulated by the General Meeting:

Maximum number of directors	15
Minimum number of directors	5
Number of directors stipulated by the General Meeting	13

C.1.2 Fill in the following table with the Board members' particulars:

Name or corporate name of the director	Representative	Category of the director	Position on the board	Date of first appointment	Date of last appointment	Appointment procedure	Date of birth
Mr JUAN JOSÉ BRUGERA CLAVERO		OTHER EXTERNAL	CHAIRMAN	19/06/2008	21/06/2022	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	15/10/1946
Mr PEDRO VIÑOLAS SERRA		EXECUTIVE	CEO AND VICE-CHAIRMAN	18/07/2008	21/06/2022	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	26/06/1962
Mr SHEIKH ALI JASSIM M. J. AL THANI		PROPRIETARY	DIRECTOR	12/11/2015	30/06/2020	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	31/12/1960
Mr GIULIANO ROTONDO		PROPRIETARY	DIRECTOR	18/10/2023	18/10/2023	CO-OPTION	26/02/1980
Mr JUAN CARLOS GARCÍA CAÑIZARES		PROPRIETARY	DIRECTOR	30/06/2014	21/06/2022	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	10/01/1969
Mr CARLOS FERNÁNDEZ GONZÁLEZ		PROPRIETARY	DIRECTOR	28/06/2016	30/06/2020	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	29/09/1966
Ms BEGOÑA ORGAMBIDE GARCÍA		PROPRIETARY	DIRECTOR	27/09/2022	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	01/03/1979
Mr MANUEL PUIG ROCHA		PROPRIETARY	DIRECTOR	15/06/2023	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	28/12/1961
Ms SILVIA MÓNICA ALONSO-CASTRILLO ALLAIN		INDEPENDENT	DIRECTOR	24/01/2019	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	20/05/1958
Mr LUIS MALUQUER TREPAT		INDEPENDENT	DIRECTOR	31/07/2013	21/06/2022	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	05/09/1955

Name or corporate name of the director	Representative	Category of the director	Position on the board	Date of first appointment	Date of last appointment	Appointment procedure	Date of birth
Ms ANA BOLADO VALLE		INDEPENDENT	DIRECTOR	14/06/2019	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	22/10/1958
Ms ANA PERALTA MORENO		INDEPENDENT	DIRECTOR	14/06/2019	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	30/09/1961
Ms MIRIAM GONZÁLEZ-AMÉZQUETA LÓPEZ		INDEPENDENT	DIRECTOR	15/06/2023	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS	24/07/1965

Total number of directors	13
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Indicate any resignations from the Board of Directors during the reporting period, whether due to resignation or by resolution of the General Meeting:

Name or company name of the director	Category of director at date of departure	Date of last appointment	Date of departure	Special committees the director was a member of	Indicate whether the director left before the end of their term in office
Mr ADNANE MOUSANNIF	PROPRIETARY	21/06/2022	18/10/2023	- Executive Committee; - Appointments and Remuneration Committee; and - Sustainability Committee	Yes

Reason for departure if it occurs before the end of the term in office and other remarks; information on whether the director has sent a letter to the other members of the board and, in the case of the removal of non-executive directors, an explanation or opinion of the director removed by the general meeting
The departure of Mr Adnane Mousannif was strictly due to professional reasons, as he had left his position at Qatar Investment Authority, which was the direct owner of all the shares in Qatar Holding Netherlands B.V. (a significant shareholder of Colonial, which had put him forward for appointment as a director of Colonial). In this regard, Mr Adnane Mousannif sent a letter to the Board of Directors setting out the reasons for his resignation.

C.1.3 Complete the following tables on board members and their respective categories:

EXECUTIVE DIRECTORS

Name or company name of director	Position in the company organisation chart	Profile
Mr Pedro Viñolas Serra	Vice Chairman and Chief Executive Officer	<p>He is a graduate in Business Management and MBA from ESADE and Universidad Politécnica de Cataluña, and holds a Diploma in Business Management from Universidad de Barcelona, where he also studied Law.</p> <p>In 1990, Pedro Viñolas began to work as Director of the Research Department at the Barcelona Stock Exchange, of which he later became Deputy Managing Director, where he remained until 1997. He then took up duties as Managing Director of FILO, S.A., a listed real estate company, where he remained until 2001. Subsequently, until July 2008, he was Partner and CEO at the Riva y García Financial Group.</p> <p>He has been Chairman of the Urban Land Institute in Spain and a member of the Board of Directors of the Riva y García Financial Group. He was also Chairman of the Spanish</p>

		Institute of Financial Analysts in Catalonia from 1994 to 2000. He is currently the Chairman of the Board of Directors of Societè Foncière Lyonnaise (“SFL”) and sits on its Executive Committee. He is a member of the Board of Trustees of ESADE and of the Boards of Directors of Bluespace, S.A. and the European Real Estate Association (EPRA). In addition, he has been a member of the Board of Directors of Banco Sabadell since 2023.
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Total number of executive directors	1
% of the total board	7.69

EXTERNAL PROPRIETARY DIRECTORS

Name or company name of director	Name or company name of the significant shareholder represented or proposing appointment	Profile
Mr Juan Carlos García Cañizares	Aguila Ltd.	<p>Industrial Engineer. He also studied management programmes at IMD Switzerland, and holds an MBA granted jointly by the New York University Stern School of Business, London School of Economics and HEC Paris.</p> <p>He is an investor and was previously an investment banker who led mergers and acquisitions and the funding of acquisitions for over \$35 billion over a period spanning more than 25 years. He was Vice-Chair of Planeación de Bavaria, one of Latin America’s leading breweries, where he was responsible for the \$4 billion international brewery acquisition programme and for the subsequent \$8 billion merger with SABMiller plc, creating the world’s second-largest brewery. He later led negotiations on behalf of the Santo Domingo Group for the conversion of its holding in SABMiller into a stake in Anheuser Busch Inbev as part of the merger between the two companies, an operation that was completed in 2016. Before joining the Santo Domingo Group, he was co-founder and Main Partner of Estrategias Corporativas, an investment bank firm in Latin America.</p> <p>He is currently the Managing Director of Quadrant Capital Advisors, Inc. in New York (a Santo Domingo Group investment company based in New York). He is the head of Quadrant Capital's Strategic Investments Group, including investments in AB InBev and a portfolio of public and private minority investments, primarily in the US and European consumer sectors. He sits on various Boards of Directors including, among others, Bevco Lux S.A.R.L. (Luxembourg), Bavaria, S.A. and Valorem, S.A. (Colombia), and the Advisory Board of the International Finance Center of the Yale School of Management (United States).</p>
Mr Giuliano Rotondo	Qatar Investment Authority	<p>He graduated <i>magna cum laude</i> in Economics and Financial Market Management at Bocconi University (Milan, Italy) in 2004.</p> <p>He has 20 years of experience in the real estate sector. He joined the QIA group in 2012 and is currently its head of real estate for Europe. Before that, he worked at Morgan Stanley’s real estate group, holding a number of roles in the acquisitions and asset management teams.</p> <p>During his career, he has completed real estate transactions for over \$15 billion in a variety of territories (Europe, Central and Eastern Europe, the United States and other markets) and industries. During his time at Qatar Investment Authority (QIA),</p>

		he has led and been responsible for some of that company's major real estate investments.
Sheikh Ali Jassim M. J. Al-Thani	Qatar Investment Authority	<p>A Qatar national. He has a degree in Economics and Political Science from the University of Portland (Oregon, USA). He has been working in collaboration with the Government of Qatar, mainly in the fields of trade, finance and real estate, for more than 30 years. He has been a Senior Advisor on Strategy and Investments since 2007.</p> <p>He was vice president and member of the Board of Directors and of the Executive Committee of Housing Bank for Trade and Finance of Jordan (the second most important bank in Jordan) until 2016. He was a member of the Board of Directors and vice president of the United Arab Shipping Company in Dubai (UAE) from 2003 to 2016. He has been vice president of the Libyan Qatari Bank since 2007, and in 2009 he was appointed chairman and managing director of Qatar Navigation (where he was a member of the Board of Directors from 2003 to 2016). Qatar Navigation operates in the field of shipping and real estate. Since 2012, he has been a member of the Board of Directors of Qatar Abu Dhabi Investment Company, a company specialising in real estate investments and private equity. In November 2015, he was appointed director of SFL.</p>
Mr Carlos Fernández González	Grupo Finaccess, S.A.P.I. de C.V.	<p>An industrial engineer, he has followed senior management programmes at Instituto Panamericano de Alta Dirección de Empresa.</p> <p>For more than 30 years he has held positions of substantial responsibility, complexity and skills in the management of companies in various sectors. He was CEO (1997-2013) and Chairman of the Board of Directors (2005-2013) of Grupo Modelo. Between his appointment as CEO and 2013, this Group became the leading beer company in Mexico, the seventh group in the world and the largest beer export company in the world.</p> <p>Furthermore, he has been a Director in international and national companies, including Anheuser Busch (USA), Emerson Electric Co. (USA), Televisa Group (Mexico), Crown Imports, Ltd. (USA), Inbursa (Mexico) and Mexico Stock Exchange. Likewise, he was also a member of the international advisory board of Banco Santander, S.A. (Spain), Director of Grupo Financiero Santander México S.A.B de C.V. and, until October 2019, Director of Banco Santander, S.A. (Spain).</p> <p>He is currently Chairman of the Board of Directors and general manager of Grupo Finaccess S.A.P.I. de C.V. (which he founded), which operates in Mexico, the United States, Europe, China, Australia and New Zealand. This is in addition to his directorship of Restaurant Brands New Zealand Limited.</p>
Ms Begoña Orgambide García	Grupo Finaccess, S.A.P.I. de C.V.	<p>Ms Orgambide has a Bachelor's Degree in Management and Finance with honours and a Master's Degree in Investment Project Evaluation, both of them from the Panamerican University in Mexico. She has a Diploma in Corporate Reputation and Communication from Anáhuac University and has successfully completed the International Senior Management Programme taught by Instituto Tecnológico Autónomo de México (ITAM) in partnership with Kellogg, Stanford and Ashridge.</p> <p>She has worked mainly in finance, primarily analysing companies' financial situation, project viability and profitability and on the implementation of financial and corporate communication strategies for investors and analysts.</p> <p>Ms Orgambide has been Head of Investor Relations at both</p>

		<p>Grupo Modelo S.A.B. de C.V. and, afterwards, Grupo Sports World S.A.B. de C.V. In 2015 she joined Walmart de México S.A.B. de C.V. as Head of Strategic Planning and M&A.</p> <p>She is currently Head of Investor Relations at Finaccess Capital, S.A. de C.V., where she has worked on investment analysis, mainly in the restaurant and real estate sector, and on evaluations of returns. She is also responsible for designing and implementing the communication strategy on the financial status and performance of investments for the group of investors.</p> <p>She sits on the Boards of Directors of the companies FCapital Dutch, Finaccess Restauración, Finaccess Inmobiliaria, Finaccess Capital Inversores and Atrides, all of which are subsidiaries of Finaccess Capital and invest directly in restaurant and real estate companies. She is also a member of the Board of Directors of AmRest Holdings SE</p>
Mr Manuel Puig Rocha	Puig, S.A.	<p>Manuel Puig holds a degree in Industrial Engineering from Universidad Politécnica de Cataluña (UPC) and has held a variety of executive positions at Puig for over 35 years, where he has created several international subsidiaries and what is now the Puig Group's Derma division. During his time at Puig, he has managed several fashion brands, and in the last ten years, he has been involved in significant acquisition processes.</p> <p>Manuel Puig has been vice president of Puig and a member of its Board of Directors since 2007. He has also been the Chairman of the ESG Committee of its Board of Directors since February 2021.</p> <p>He is also a member of the Boards of Directors of Exea Empresarial, Isdin, Flamagas, Fluidra and RACC, of the Advisory Board of GBI2 (Georgetown University) and of the Supervisory Board of Iris Ventures. He is actively involved in various ESG organisations and working groups of internationally recognised climate forums, and he is a member of the Board of Trustees of Fundación Empresa & Clima.</p>

Total number of proprietary directors	6
% of the total board	46.15%

EXTERNAL INDEPENDENT DIRECTORS

Name or company name of director	Profile
Ms Ana Bolado Valle	<p>She holds a degree in Pharmacy from the Madrid Complutense University, and also a Master's Degree in Business Administration (MBA) from IE Business School.</p> <p>In the course of her professional career, Ms Ana Bolado Valle has held various management positions at Santander Group (1986-2017), managing important business areas both wholesale and retail, digital transformation projects and key areas for the Group such as Corporate Human Resources Division between 2005 and 2010. She has also been a Board member of Parques Reunidos Servicios Centrales, S.A. and Unicaja Banco, S.A.</p> <p>Currently Ms Ana Bolado Valle is a proprietary director of Metrovacesa, S.A., appointed at the proposal of Banco Santander, S.A., Caceis Group and Caceis Bank. With regard to the latter organisation, Ms Ana Bolado is a member of the following committees: Strategy, Audit, Risks and Compliance and Appointments and Remunerations. Furthermore, she is a Senior Advisor for Fellow Funders -an equity crowdfunding platform to support the funding of start-ups and SMEs- and a member</p>

	of the Instituto de Consejeros y Administradores (ICA, Institute of Directors and Administrators) and of Women Corporate Directors.
Ms Ana Peralta Moreno	<p>Ms Ana Peralta is currently an independent Director of BBVA and Grenergy Renovables, S.A.</p> <p>She has extensive experience in the financial sector. She began her professional career with Bankinter in 1990, where she worked in extremely different areas until late 2008. She headed up Bankinter's first Internet Office and ran the Chairman's Office. During her last years at the bank, she was Chief Risk Officer and a member of the Management Committee.</p> <p>From 2009 to 2012 she sat on the Management Committee at Banco Pastor, where she worked as General Manager of Risk.</p> <p>From 2012 to 2018 Ms Ana Peralta divided her time between a post as Senior Advisor with Oliver Wyman Financial Services and was a member of several boards of directors. She was an independent director at Banco Etcheverría, at Deutsche Bank, SAE and also at Lar Holding Residencial.</p> <p>She holds a degree in Economics and Business Administration from the Madrid Complutense University and a Master's Degree in Financial Management from CEF (1991), and studied the PMD Programme (Program for Management Development) at Harvard Business School (2002) and the PADE programme at the IESE business school (2016).</p>
Ms Silvia Mónica Alonso-Castrillo Allain	<p>Holds a degree in Political Sciences from the Sciences Po University (Paris) and a Master's Degree in Spanish and Latin American Studies from the Paris-Sorbonne University. By civil service examination, she became a teacher of Spanish studies in France. She has been teaching and researching for 25 years (1984-2009) in a number of French academic institutions: University of Toulouse, Sciences Po and the ESSEC Business School. Author of several books on history and contemporary Spanish politics.</p> <p>Ms Alonso-Castrillo worked for the French Embassy in Singapore as a science and culture advisor, before being appointed regional director of INSEAD. She supervised the development of two campuses in Singapore: the French Lycée and INSEAD (1996-1999).</p> <p>Upon her return to Europe in 2000, she worked for 15 years with ESSEC, managing international development and fundraising for the business school, which also opened a campus in Singapore.</p> <p>In 2007 she founded the consulting firm Sociedad de Estudios Hispano Franceses, S.L. in Madrid, which she led until 2019 and of which she is the sole shareholder and director. Since 2013, Ms Alonso-Castrillo has run the family farm in the Loire Valley of France.</p> <p>She has served on the Board of the Collège de Bernardins (Paris) and on the Executive Committee of the Fondation pour les Sciences Sociales (Paris). She was director of SFL from 2017 to January 2019 and from Koiki Home S.L. from 2017 to February 2023.</p>
Mr Luis Maluquer Trepal	<p>He holds a degree in Law from the University of Barcelona and a Diploma in International Institutions from the University of Geneva.</p> <p>Throughout his career, he has advised various national and international organisations in the specialist field of financial, banking and real estate law through his firm. He has also taught financial and banking law at various institutions, such as the Barcelona Chamber of Commerce, and he was a director of the European Society for Banking and Financial Law (AEDBF Paris).</p> <p>He is the founding partner of Despacho Maluquer Advocats, SCP and a Board member and secretary of a number of companies, including SFL, where he was a member of the Board until April 2022. He was Chairman of the Argentinian Chamber of Commerce in Spain until 2019 and is currently a member of its Governing Board.</p>
Ms Miriam González-Amézqueta López	She holds a double degree in Law and Economics and Business Studies (E-3) from Comillas Pontifical University (ICADE).

	<p>Ms Miriam González-Amézqueta embarked on her professional career in 1989 as a financial analyst for Santander Investment S.V.B (BSN), where she stayed until 2000. Following the merger between BSN and BCH, she was equities manager at the resulting brokerage company.</p> <p>Between 2000 and 2008 she was managing director at Lehman Brothers International Europe and, after that, managing director at Lehman Brothers Plc. Branch in Spain. In addition, and among other roles, she was equities manager for the Spanish and Portuguese offices. She was also a member of the European Equities Executive Committee, the Management Committee of Iberia, the Integration and Diversity Committee in London, the European Selection and Recruitment Team, and the "Lehman Faculty", speaking at internal courses held in London and New York, and chairwoman of the Southern Europe Integration and Diversity Committee. Between 2008 and 2011, following Nomura International Europe's acquisition of Lehman Brothers, she was Managing Director Head of Equities in Spain for European, American and Asian shares.</p> <p>During 2012, she completed the Digital Business Executive Programme at ISDI.</p> <p>In 2013 she founded Alamir Servicios Financieros, of which she is a shareholder, to invest in start-ups, mainly Fintech companies, with the strategy of being actively involved in their management and subsequent development at a global level.</p> <p>Currently Ms Miriam González-Amézqueta has been an independent Director on the Boards of Deutsche Bank S.A.E. and the MIO Group since February 2017 and June 2021 respectively, and of NH Hotel Group since June 2023. At Deutsche Bank S.A.E., she also chairs the Risk and Remuneration Committees and is a member of the Audit and Appointments Committees. She also chairs the Audit Committee and the Remuneration and Appointments Committee of the MIO Group. Finally, she is also Chair of the Audit and Control Committee of NH Hotel Group.</p>
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Total number of independent directors	5
% of the total board	38.46

List any independent directors who receive from the Company or its group any amount or benefit other than standard director remuneration or who currently have or have had in the last year business dealings with the Company or any group company, either in their own name or as a significant shareholder, director or senior officer of an entity that currently has or has previously had such a relationship.

If applicable, include a statement from the board detailing the reasons why it believes this director may carry out duties as an independent director.

Name or company name of the director	Description of the relationship	Reasoned statement
N/A		

OTHER EXTERNAL DIRECTORS

Identify the other external directors and explain why these directors may not be considered proprietary or independent directors, and what their connection is with the Company, its officers or its shareholders:

Name or company name of the director	Reasons	Company, officer or shareholder to which this person is linked	Profile
Mr Juan José	He was an executive	Inmobiliaria Colonial	Chairman of Inmobiliaria Colonial, SOCIMI, S.A. since 2008,

Brugera Clavero	Director of the Company until 30 April 2022.	SOCIMI S.A.	and previously held the position of CEO from 1994 to 2006. He was Chairman of SFL between 2010 and April 2022. Previously he was Chief Executive Officer of Mutua Madrileña, CEO of SindiBank and Deputy General Manager of Banco de Sabadell. Other positions: He has been Chairman of the Board of Trustees of Universidad Ramón Llull (URL); Chairman of the ESADE Foundation, Panrico, Holditex and the Círculo de Economía in Barcelona, and director of El Periódico de Catalunya. He is an Industrial Technical Engineer and holds an MBA from ESADE. PDG from IESE and Honorary Doctorate from the University of Rhode Island
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Total number of external directors	1
% of the total board	7.69

Indicate any changes in the status of each director that may have occurred during the year:

Name or company name of the director	Date of change	Prior category	Current category
N/A			

C.1.4 Complete the following table with the information on the number of female directors over the past 4 years and their category:

	Number of female board members				% of total directors of each category			
	2023	2022	2021	2020	2023	2022	2021	2020
Executive	0	0	0	0	0.00	0.00	0.00	0.00
Proprietary directors	1	1	0	0	16.67	20.00	0.00	0.00
Independent directors	4	3	3	3	80.00	75.00	75.00	75.00
Other External Female Directors	0	0	0	0	0.00	0.00	0.00	0.00
Total:	5	4	3	3	38.46	36.36	27.27	27.27

C.1.5 Indicate whether the company has diversity policies in place for its Board of Directors with regards to age, gender, disability, education or work experience, among other matters. Small and medium businesses, as described by the Law on Audits of Accounts, should at least report about the policy they have established to ensure gender diversity.

Yes No Partial policies

If this is the case, describe the diversity policies, their targets, measures, and the way they have been implemented and their outcome in the fiscal year. Also indicate the specific measures taken by the Board of Directors and the Appointments and Remuneration Committee to ensure a balanced and diverse ratio of directors.

Should the company not have a diversity policy in place, explain the reasons for it.

Description of policies, targets, measures and way they have been implemented, as well as their outcome.

In December 2020, the Company approved its Selection and Diversity Policy, in which strict parameters for its application are laid down. In addition, in recent years it has been developing a specific plan for the implementation of this policy, which had the positive result of tripling the number of female directors in 2019. Their number also increased during 2022 and 2023. Thus, this Selection and Diversity Policy, applicable to the appointment and re-election of candidates to the Board of Directors, is based on the principles of diversity and balance in the composition of the Board of Directors, within the general objective of providing effectiveness and professionalism to the operation of this body and increasing the quality of corporate management. In accordance with the Selection and Diversity Policy, the selection of candidates for directorship will require a prior analysis of the Company's needs, which will be carried out by the Board of Directors based on a report by the Appointments and Remuneration Committee ("ARC"). In this process, individuals will be sought who meet the requirements of professional and personal qualifications and honesty, as well as capacity, set out in the Policy. Upon recruiting such candidates, the Board will make sure that the selection processes foster diversity in age, gender, disability, education and work experience in the Board of Directors. As to diversity, following the most recent modification carried out in 2020, the Policy's aims still include continuing to increase the number of female directors in order to achieve a gender diversity balance on the Board in accordance with the good governance recommendations. Likewise, the Policy also includes as a target that the appointment of Directors should meet the general criteria on the composition of the Board of Directors, in particular, having a balanced number of executive, proprietary and independent Directors, subject to the principles and recommendations listed in the GGC. In 2020, at the proposal of the ARC, a request to modify the Diversity Policy was submitted to the Board for approval to align the policy with the new recommendations of the Good Governance Code for listed companies, approved by the Spanish Securities Market Commission (CNMV) in June 2020. In addition to the above-mentioned modification regarding gender diversity, one of the most significant changes worth highlighting is the inclusion of age as a criterion for the selection of directors. In 2023, following an analysis of the composition of the Board, its needs and the Company's shareholder structure, the Board of Directors proposed the re-election of the following female directors: Ms Silvia Alonso-Castrillo Allain, Ms Ana Peralta Moreno and Ms Ana Bolado Valle; as well as a new member of the Board, Ms Miriam González-Amézqueta López. However, in 2024, the Company intends to increase the number of female directors to 40%.

C.1.6 Explain any measures that may have been agreed by the appointments committee to prevent any implicit bias in selection procedures to hinder the selection of female directors, and for the company to deliberately strive to include women with the professional profile sought as candidates, and that will ensure a balanced ratio of women and men. Also indicate whether these measures include encouraging the company to have a significant number of female senior officers:

Explanation of the measures

The ARC has maintained promoting a higher female presence on the Board as a goal for 2023. This task started a few years ago with the appointment of four new independent female directors to date, all this within the framework of the Company's internal policies, which are in line with international standards and Recommendation 14 of the Code of Good Governance, while also ensuring cultural diversity and the presence on the Board of members with international knowledge and experience. The Company intends to increase the number of female directors to 40% of the Board in 2024. As for the ARC, in 2023, it verified compliance with the Selection and Diversity Policy and reported its findings to the Board of Directors, all this as provided in the Selection and Diversity Policy.

When, despite any measures adopted, there are few or no female directors or senior officers, explain the reasons:

Explanation of the reasons

The year 2023 saw the appointment of Ms Miriam González-Amézqueta López and Ms Begoña Orgambide García as members of the Board of Directors, as well as the re-election of Ms Ana Bolado Valle, Ms Ana Peralta Moreno and Ms Silvia Alonso-Castrillo, thus continuing to increase the number of women on the Board of Directors, where they now account for 38.46% of its members. These appointments have also resulted in women accounting for 80% of the Company's independent Directors.

It is also worth noting that the Audit and Control Committee ("ACC"), the ARC and the Sustainability Committee ("SC") are chaired by female directors, and 80%, 50% and 75%, respectively, of the members of those committees are women. Women also held 50% of senior management positions in 2023.

C.1.7 Explain the conclusions of the Appointments Committee on the verification of compliance with the policy aimed at fostering an appropriate composition of the Board of Directors.

As part of verifying that Colonial's Selection and Diversity Policy is being properly complied with, in 2023, the ARC analysed the composition of the Board of Directors, its needs and the shareholding structure of the Company in order to consider the conditions to be met by directors in the exercise of their duties and the dedication required for their adequate performance, all this as part of various selection processes. In view of the above, and in order to continue to promote a diverse composition of the Board of Directors that is appropriate for its needs, the ARC proposed to the Board of Directors the appointment of Ms Miriam González-Amézqueta López as an independent Director and member of the ACC. The Committee also examined the qualifications of the members of the Board of Directors in accordance with the corporate documents, the Spanish Limited Liability Companies Law and the corporate governance recommendations.

C.1.8 Explain any reasons for which proprietary directors have been appointed at the behest of shareholders accounting for less than 3% of share capital:

Name or company name of the shareholder	Justification
N/A	

Provide details of any rejections of formal requests for board representation from shareholders whose shareholding is equal to or greater than that of other shareholders who have successfully requested the appointment of proprietary directors. If so, explain why these requests have not been granted.

Yes []

No [X]

C.1.9 Indicate the powers, if any, including in relation to the issue or buyback of shares, delegated by the Board of Directors to directors or to Board committees:

Name or company name of the director or committee	Brief description
Mr Pedro Viñolas Serra	In his capacity as CEO, he has been granted all the powers that may be delegated by the Board of Directors. In addition, as Vice-Chairman of the Board of Directors, he has the powers set out in the Board Regulations.
Executive Committee	This Committee has all the powers of the Board of Directors except for those that cannot be delegated by law, including the power to issue or buy back shares.

C.1.10 Identify any Board members working as managing directors, representatives of managing directors or officers at other companies forming part of the listed company's group:

Name or company name of the director	Group company name	Position	Does the member have executive functions?
Mr Pedro Viñolas Serra	Société Foncière Lyonnaise	Chairman	No
Mr Pedro Viñolas Serra	Inmocol Torre Europa, S.A.	Director	No
Mr Pedro Viñolas Serra	Utopicus Innovacion Cultural, S.L.	Director	No
Mr Pedro Viñolas Serra	Colonial Tramit, S.L.	Natural person representing the sole director, Inmobiliaria Colonial, SOCIMI, S.A.	Yes
Mr Pedro Viñolas Serra	Inmocol One, S.A.U.	Natural person representing the sole director, Inmobiliaria Colonial, SOCIMI, S.A.	Yes
Mr Pedro Viñolas Serra	Inmocol Two, S.L.U.	Natural person representing the sole director,	Yes

		Inmobiliaria Colonial, SOCIMI, S.A.	
Mr Pedro Viñolas Serra	Colonial Lab, S.L.U.	Natural person representing the sole director, Inmobiliaria Colonial, SOCIMI, S.A.	Yes
Mr Juan José Brugera Clavero	Société Foncière Lyonnaise	Director	No
Sheikh Ali Jassim M.J.Al-Thani	Société Foncière Lyonnaise	Director	No

C.1.11 Provide details of the positions of director or equivalent, or representative thereof, held in other companies, whether or not they are listed companies, by directors or representatives of directors who are members of the Board of Directors of the company:

Identification of the director or representative	Company name, whether or not it is a listed company	Position
Mr Juan Carlos García Cañizares	Quadrant Capital Advisors, Inc	Other
Mr Juan Carlos García Cañizares	Valorem, S.A.	Director
Mr Juan Carlos García Cañizares	SNI International Holdings S.A.R.L.	Director
Mr Juan Carlos García Cañizares	Park S.A.R.L.	Director
Mr Juan Carlos García Cañizares	Bavaria, S.A	Director
Mr Juan Carlos García Cañizares	Bevco Lux S.A.R.L.	Director
Mr Juan Carlos García Cañizares	Blue Clay S.A.R.L.	Director
Ms Ana Bolado Valle	Metrovacesa, S.A.	Director
Ms Ana Bolado Valle	Caceis Group	Director
Ms Ana Bolado Valle	Caceis Bank	Director
Ms Ana Peralta Moreno	Banco Bilbao Vizcaya Argentaria, S.A.	Director
Ms Ana Peralta Moreno	Grenergy Renovables, S.A.	Director
Ms Silvia Mónica Alonso-Castrillo Allain	Sociedad de Estudios Hispano Franceses S.L.	Joint and several director
Mr Pedro Viñolas Serra	Blue Self Storage, S.L.	Director
Mr Pedro Viñolas Serra	Banco de Sabadell, S.A.	Director
Sheikh Ali Jassim M.J.Al-Thani	26 Champs Elysees	Director
Sheikh Ali Jassim M.J.Al-Thani	Al Nuran Bank	Chairman
Sheikh Ali Jassim M.J.Al-Thani	Hapag-Lloyd	Director
Sheikh Ali Jassim M.J.Al-Thani	Rayyan Islamic Bank	Director
Sheikh Ali Jassim M.J.Al-Thani	Qatar Insurance and Re-Insurance Co.	Director
Sheikh Ali Jassim M.J.Al-Thani	Libyan Qatari Bank	Vice-President
Mr Luis Maluquer Trepas	Filux, S.A.	Sole Director
Ms Begoña Orgambide García	FCapital Dutch, S.L.	Director
Ms Begoña Orgambide García	Finaccess Restauración, S.L.	Director
Ms Begoña Orgambide García	Finaccess Inmobiliaria, S.L.	Director
Ms Begoña Orgambide García	Finaccess Capital Inversores, S.L.	Director
Ms Begoña Orgambide García	Atrides	Director
Ms Begoña Orgambide García	AmRest Holdings, S.E.	Director
Mr Carlos Fernández González	Restaurant Brands New Zealand Limited	Director
Mr Carlos Fernández González	Estudia Mas, S.A.P.I. de C.V. (formerly Promotora de Crédito Educativo, S.A.P.I. de C.V.)	Director
Mr Carlos Fernández González	Prepárate, S.A. de C.V.	Director
Mr Carlos Fernández González	Fundación CEPA González Díez	Chairman
Mr Carlos Fernández González	Grupo Finaccess S.A.P.I. de C.V.	Chairman

Identification of the director or representative	Company name, whether or not it is a listed company	Position
Mr Carlos Fernández González	Endeavor España	Trustee
Mr Carlos Fernández González	Grupo Far-Luca, S.A. de C.V.	Chairman
Mr Carlos Fernández González	Ciniia de Mexico, S.A. de C.V.	Chairman
Mr Carlos Fernández González	Finacprom, S.A. de C.V.	Chairman
Mr Carlos Fernández González	Solidaridad y Trabajo Virgen del Camino, S.L.	Chairman
Mr Carlos Fernández González	Fundación Solidaridad y Trabajo Virgen del Camino	Representative of director
Mr Carlos Fernández González	Sociedad Mexicana para el Estudio de Movimientos Anormales, A.C.	Director
Mr Carlos Fernández González	Fundación de Ayuda a la Ancianidad, I.A.P.	Trustee
Ms Miriam González-Amézqueta López	Deutsche Bank S.A.E.U.	Director
Ms Miriam González-Amézqueta López	Media Investment Optimization, S.A.	Director
Ms Miriam González-Amézqueta López	NH Hotel Group, S.A.	Director
Mr Manuel Puig Rocha	Lyskamm 1861, S.L.	Joint and several director
Mr Manuel Puig Rocha	Schwarzsee 2018, S.L.	Joint and several director
Mr Manuel Puig Rocha	Exea Empresarial, S.L.	Representative of Director
Mr Manuel Puig Rocha	Inmo, S.L.	Joint and several director
Mr Manuel Puig Rocha	Whymper 1865, SCR, S.A.	Chairman
Mr Manuel Puig Rocha	Torre Puig LH 4648, S.L.	Joint and several director
Mr Manuel Puig Rocha	Quaestor Investments, S.A.	Chairman
Mr Manuel Puig Rocha	Puig, S.L.	Representative of director
Mr Manuel Puig Rocha	Puig Brands, S.A.	Director
Mr Manuel Puig Rocha	Maveinn Inversiones Inmobiliarias, S.L.	Joint and several director
Mr Manuel Puig Rocha	Sociedad Textil Lonía, S.A.	Director
Mr Manuel Puig Rocha	Tansilux, S.L.	Joint director
Mr Manuel Puig Rocha	Casa Fiesta Formentera y Asociados, S.L.	Joint director
Mr Manuel Puig Rocha	Charlotte Tilbury Limited	Director
Mr Manuel Puig Rocha	Aubelia SAS	Director
Mr Manuel Puig Rocha	Beijing Yitian Shidai Trading Co., LLC	Director
Mr Manuel Puig Rocha	Byredo AB	Director
Mr Manuel Puig Rocha	Cosmetika SAS	Director
Mr Manuel Puig Rocha	Dries Van Noten Group NV	Director
Mr Manuel Puig Rocha	Ponteland Distribuição, S.A.	Director
Mr Manuel Puig Rocha	Puig North America, Inc.	Director
Mr Manuel Puig Rocha	Puig, S.A.	Vice-Chairman
Mr Manuel Puig Rocha	Inmo Montaigne	Joint and several director
Mr Manuel Puig Rocha	Inmo USA Inc.	Joint and several director
Mr Manuel Puig Rocha	Flamasats, S.L.	Director
Mr Manuel Puig Rocha	Isdin, S.A.	Director
Mr Manuel Puig Rocha	Exea Capital, SCR, S.A.	Chairman
Mr Manuel Puig Rocha	Real Automóvil Club de Cataluña, S.L.	Director

Identification of the director or representative	Company name, whether or not it is a listed company	Position
Mr Manuel Puig Rocha	Fluidra, S.A.	Director
Mr Giuliano Rotondo	Coima Res S.p.A.	Director
Mr Giuliano Rotondo	Nova Bocana Barcelona, S.A.	Director
Mr Giuliano Rotondo	Danube Holding LLC	Director

Observations
Based on the information available to the Company, all the positions reported are directly or indirectly remunerated, except for those held in non-profit organisations and those held by Mr Giuliano Rotondo in the companies Nova Bocana Barcelona, S.A. and Danube Holding LLC and the position held by Mr Carlos Fernández González in Restaurant Brands New Zealand Limited.

Indicate any other remunerated activities of any kind carried out by the directors or their representatives, other than those set forth in the above table.

Identification of the director or representative	Other remunerated activities
Mr Luis Maluquer Trepas	Partner at Maluquer Advocats, S.C.P.
Ms Begoña Orgambide García	Head of Investor Relations at Finaccess Capital

C.1.12 Indicate, and explain where appropriate, whether the company has established rules on the maximum number of company boards the company's directors may sit on, identifying, if any, where these rules are established:

Yes

No

Explanation of the rules and identification of the document where they are established
In view of its internal principles of organisation and the proper functioning of its administrative and management structure, and always in the Company's best interests, Colonial establishes in its Regulations of the Board of Directors that directors may not sit on more than four boards of directors of Spanish listed companies other than Colonial or companies in its Group. However, the executive Directors of the Company may not sit on more than two boards of directors of listed companies other than Colonial or companies in its Group. If they are members of two or more boards of directors of companies in the same Group, these shall count as a single Board of Directors. The Board of Directors may dispense with this ban in exceptional circumstances. It should also be pointed out that Board Regulations establish that they must carry out their functions and meet the obligations imposed on them by law, the Company Bylaws and other internal regulations with the diligence of an orderly entrepreneur, in due consideration of the nature of the post and the functions assigned to them; their dedication must be appropriate at all times, and they must take the necessary measures for proper management and control of the Company.

C.1.13 Specify the amounts of the following items relating to the global remuneration of the Board of Directors:

Remuneration accrued by the Board of Directors during the fiscal year (thousands of euros).	4.707
Amount of funds accumulated by current directors under long-term savings schemes with vested economic rights (thousands of euros)	0
Amount of funds accumulated by current directors under long-term savings schemes with non-vested economic rights (thousands of euros)	850
Amount of funds accumulated by former directors under long-term savings schemes (thousands of euros)	0

Observations
There are no long-term savings schemes for non-executive Directors: only the CEO has such a scheme.

C.1.14 List any members of senior management who are not also executive directors and state the total remuneration accrued to them during the year:

Name or corporate name	Position(s)
Ms Ms Carmina Ganyet Cirera	Corporate General Manager
Mr Mr Alberto Alcober Teixidó	Business Director
Mr Juan Manuel Ortega Moreno	Head of Sales and Chief Investment Officer
Ms Ms Nuria Oferil Coll	Head of the Legal Department
Mr Mr Carlos Escosa Farga	Head of Internal Audit
Ms Begoña Muñoz López	Head of Human Resources and General Services

Number of women in senior management	3
Percentage of total members of senior management	50.00

Total remuneration of senior management (thousands of euros)	2.519
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Observations
In line with section C.1.13 above, the figure includes the total remuneration of senior management at group level.

C.1.15 Indicate whether any amendments have been made to the board regulations during the year:

Yes []

No [X]

Description of changes

C.1.16 Indicate the procedures for the selection, appointment, re-election and removal of directors.

Give details of the competent bodies, the formalities to be fulfilled and the criteria to be used in each of the procedures.

In order to meet the highest standards in the selection of candidates for directors, based on knowledge and experience in the sector and in the management of listed companies, Colonial has developed its procedures for the selection, appointment, re-election and removal of directors through the Selection and Diversity Policy, approved by the Board at the proposal of the ARC, which are regulated in the Regulations of the Board of Directors. In accordance with this policy, the Board of Directors will first analyse the Company's and the Group's needs, with appropriate support from advisors, and will, in any case, base its analysis on the ARC's appointment proposal or mandatory supporting report. The directors are appointed by the General Meeting or, in the event of early vacancies, by the Board, exercising its power to co-opt. The ARC makes proposals for the appointment or re-election of independent directors. In all other cases, the Board is responsible for making proposals. Proposals must be accompanied by a supporting report from the Board that assesses the competence, experience and merits of the proposed candidates, which will be attached to the minutes of the General Meeting or the Board meeting. The proposal for the appointment or re-election of any non-independent director should also be preceded by an ARC report. In order for the shareholders at the General Meeting to have the information necessary for the appointment of directors, from the publication of the call notice and until the General Meeting is held, the Company must continuously post on its corporate website the following information, at least, on the persons proposed for appointment, ratification or re-election as Board members: their identity, CV and category to which each belongs, and the aforementioned proposal and reports and ARC explanatory report containing the findings of the analysis performed beforehand of the Board's needs. Additionally, the Selection and Diversity Policy establishes a series of situations that prevent a candidate from being a director. Directors may be removed from office at any time by the General Meeting, even if the removal is not on the agenda. In addition, directors must place their position at the disposal of the Board of Directors and tender, if the latter deems it appropriate based on a report from the ARC, their resignation, all in accordance with the provisions of the Regulations of the Board of Directors, in the instances set forth in section C.1.19 below. The Board of Directors shall not propose the removal of any independent directors before the expiry of their office as set forth in the Company Bylaws, except where just cause is found by the Board, based on a report by the ARC. It shall be understood that there is just cause when the director takes up a new post or takes on new duties that prevent him/her from devoting the necessary time to the performance of the duties associated with the directorship, when the director fails to carry out the duties inherent to his/her post or when the director is involved in circumstances which cause him/her to lose his/her independent status in accordance with the provisions of the legislation applicable. The removal of independent directors may also be proposed following a takeover bid, merger or similar corporate operation entailing changes in the Company's capital structure, when these changes have been propitiated by the proportionality criterion. Without prejudice to the foregoing, the Board Regulations stipulate that independent directors may not retain their status as such for a continuous period of more than 12 years. In addition, the Board of Directors may propose the removal of other directors prior to the expiry of the statutory period for which they were appointed for exceptional and justifiable reasons as approved by the Board following a report by the ARC. Directors who cease to be directors before the end of their term, either through resignation or as agreed by the General Meeting, shall send a letter to all members of the Board of Directors stating their reasons for

resigning or, in the case of non-executive Directors, their opinion on the General Meeting's decision. Without prejudice to reporting all this in the Annual Corporate Governance Report, insofar as it is relevant to investors, the Company shall publish the resignation or removal as soon as possible, including a sufficient reference to the reasons or circumstances provided by the director.

C.1.17 Explain to what extent the annual evaluation of the Board has prompted significant changes in its internal organisation and the procedures applicable to its activities:

Description of changes
The annual assessment of the Board of Directors for 2022 was satisfactory and did not result in any significant changes to the Company's internal organisation and/or the procedures applicable to its activities in 2023.

Describe the assessment procedure and the areas assessed by the Board of Directors with the support, if any, of an external consultant, regarding the performance and composition of the Board and its committees and any other area or aspect that has been assessed.

Description of the assessment procedure and areas assessed
The Board of Directors has assessed its own performance, as well as that of its committees (except for the ACC to the extent that it self-assesses), the Chairman, the CEO and the Secretary to the Board. Under the assessment procedure, which was carried out with the advice of an external consultant (Georgeson), all the directors anonymously completed a set of questionnaires previously validated by the ARC. The answers to the questionnaires were reviewed and analysed by the external consultant to produce its assessment reports. Unlike the other committees, the ACC assesses its own composition and internal organisation, and it reached positive conclusions in 2023.

C.1.18 Detail, as appropriate, for the years in which the assessment was supported by an external consultant, any business dealings that the consultant or any company in its group have with the Company or any company in its group.

In 2023, Georgeson provided the Company with services relating to shareholder identification and proxy solicitation activities at the Annual General Meeting of Shareholders. In addition, it reviewed the Integrated Annual Report for 2022. Computershare, a company in the same group, provides shareholder register services.

C.1.19 Indicate the cases in which the directors must resign.

In order to preserve the independence of Colonial's directors and the best possible performance of their duties, the Company's Regulations of the Board of Directors stipulate that directors must offer their position to the Board of Directors and resign, if deemed appropriate by the Board following a report from the ARC, in the following cases: 1. When they become subject to any incompatibility or prohibition established by law. 2. When they cease to discharge the executive functions associated with their appointment as directors or when the reasons for their appointment cease to exist. Specifically, proprietary directors shall tender their resignation when the shareholder they represent sells off the entire shareholding in Colonial or when the number of shares held requires a reduction in the number of proprietary directors. In cases in which, notwithstanding what had been previously envisaged, the Board of Directors considers that there are reasons justifying the Director remaining in office, the impact that the new circumstances may have on the qualification of the Director will be taken into account. 3. When they have been seriously reprimanded by the ARC for having infringed any of their duties as directors. 4. When their remaining as a board member may adversely affect the operation of the Board or jeopardise the credit or reputation of the Company for any reason. In particular, directors must inform the Board and, if appropriate, resign, in the event of any situations that affect them, regardless of whether or not they are related to their performance in the Company, that could affect the Company's reputation. In particular, they must inform the Board of any criminal case in which they are involved and under investigation as well as of any procedural events in such case. If the Board of Directors has been informed or otherwise been made aware of any of the situations mentioned in the preceding sentence, the Board shall examine the case as soon as possible and shall decide, based on the specific circumstances and after receiving a report from the ARC, whether to take any action. A reasoned account of this shall be provided in the Annual Corporate Governance Report, unless there are special circumstances that justify otherwise, which must be recorded in the minutes. Likewise, Colonial informs its directors who are qualified as independent of the time limit legally established at 12 years, so that once this period has elapsed, the appropriate steps can be taken to comply with the applicable legislation.

C.1.20 Are qualified majorities other than those prescribed by law required for any type of decision?

Yes []

No [X]

If applicable, describe the differences.

Description of the differences

C.1.21 State whether there are any specific requirements, apart from those relating to the directors, to be appointed chairman of the Board of Directors.

Yes []

No [X]

C.1.22 Indicate whether the Bylaws or the Board regulations set any age limit for directors:

Yes []

No [X]

C.1.23 Indicate whether the Bylaws or the Board regulations set a limited term of office or other stricter requirements for independent directors other than those established by the regulations:

Yes []

No [X]

C.1.24 Indicate whether the Bylaws or Board regulations stipulate specific rules to delegate votes on the Board of Directors to other directors, the procedures thereof and, in particular, the maximum number of proxy votes a director may hold. Also, indicate whether there is any limit as to the categories in which it is possible to delegate votes, beyond the limits provided in law. Also indicate whether there is any limit as to the categories in which it is possible to delegate votes, beyond the limits provided in law.

In order to establish a set of operating rules for the Board that allow the effective performance of its functions within the framework of the governance requirements applicable to the Company under both its internal rules and the legislation, the Regulations of the Board of Directors allow, in accordance with the Spanish Limited Liability Companies Law, to confer representation in writing specifically for each meeting, and only in favour of another member of the Board. However, non-executive directors may only assign proxy to another non-executive director.

C.1.25 Indicate the number of Board meetings held during the fiscal year. Also state, if applicable, the number of occasions on which the Board met without its Chairman in attendance. Attendance for this purpose shall also include proxies appointed with specific instructions.

Number of Board meetings	11
Number of Board meetings not attended by the Chairman	0

Observations

Indicate the number of meetings held by the Independent Lead Director with the other directors without the attendance, in person or by proxy, of an executive Director:

Number of meetings	N/A
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Observations
The Company ceased to have an Independent Lead Director on 30 April 2022, as the Chairman of the Board is no longer an executive director.

Indicate the number of meetings of the various Board Committees held during the fiscal year:

Number of executive committee meetings	1
Number of audit committee meetings	10 %
Number of appointments and remuneration committee meetings	12
Number of sustainability committee meetings	4

Observations
One of the meetings held by the ACC in 2023 was held jointly with the SC.

C.1.26 Indicate the number of meetings held by the Board of Directors during the fiscal year and the attendance data of its members:

Number of meetings where at least 80% of directors attended in person	11
% of attendance in person out of the total votes during the fiscal year	98.48%
Number of meetings with attendance in person, or by proxy with precise instructions, of all the directors	11
% of votes cast with attendance in person, or by proxy with precise instructions, out of the total votes during the year	100 %

C.1.27 Indicate whether the consolidated and individual annual financial statements submitted to the Board for their preparation are certified beforehand:

Yes [X]

No []

Identify, where applicable, the person(s) who certified the company's individual and consolidated annual financial statements to be drawn up by the Board:

Name	Position
Ms María Ángeles Arderiu Ibars	Chief Financial Officer

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the Board of Directors can present the company's annual financial statements to the General Meeting of Shareholders in compliance with accounting standards.

In accordance with the accounting regulations, the ACC shall ensure that the Board of Directors endeavours to submit the financial statements to the General Meeting of Shareholders without limitations or reservations in the audit report. In exceptional cases in which there are reservations, the Chairman of the ACC shall clearly explain to the General Meeting of Shareholders the ACC's opinion on the content and scope of those limitations or reservations, and the shareholders shall be provided with a summary of that opinion, together with all other proposals and reports of the Board of Directors, at the time of publication of the notice of the General Meeting.

In any case, based on the functions granted to it in this regard by Board Regulations, the ACC performs ongoing monitoring in the process of preparing the individual and consolidated financial statements to prevent them from being prepared with reservations in the audit report. In any case, there were no reservations in the year ended 31 December 2023.

C.1.29 Is the secretary to the Board a director?

Yes []

No [X]

If the secretary is not a director, complete the following table:

Name or company name of the secretary	Representative
Mr Francisco Palá Laguna	

C.1.30 Indicate the specific methods established by the company to protect the independence of the external auditors, as well as the methods, if any, employed to protect the independence of the financial analysis, of investment banks and of credit rating agencies, including how the legal provisions have been effectively implemented.

The obligations of the ACC include the obligation to preserve the independence of the external auditor in the performance of its duties. It also has the following duties in relation to the external auditor: (i) to submit to the Board of Directors the proposals for the selection, appointment, re-election and replacement of the auditor, with responsibility for the selection process as provided in the current regulations and the terms of the contract; (ii) to obtain information from the auditor on a regular basis regarding the audit plan and its execution; (iii) if the external auditor resigns, to examine the circumstances that led to such resignation; (iv) to ensure that the external auditor's integrity and independence are not compromised by the remuneration received for the work carried out; (v) to ensure that the Company reports the change of auditor as "other significant information" to the Spanish Securities Market Commission (CNMV), attaching a statement on the existence of any possible disagreements on its contents with the outgoing auditor; and (vi) to ensure that the Company and the external auditor adhere to the current regulations on the provision of non-audit services as well as to the limits on the auditor's business concentration and, in general, to all other rules on auditor independence.

It is also a function of the ACC to establish the necessary relations with the external auditor in order to receive information on any matters that might jeopardise the auditors' independence, for examination by the Committee, any other matters related to the accounts audit process and, when appropriate, to authorise non-prohibited services on the terms provided in current legislation relating to independence and to communicate with the auditors as provided for in the financial audit legislation and auditing standards. In any case, each year, the external auditors shall be required to furnish a statement of their independence with respect to the Company or entities related directly or indirectly thereto, as well as detailed and separate information on any manner of additional services of any kind provided and the related fees received from these entities by the external auditor or entities related thereto in accordance with the governing accounts audits. The ACC shall also issue, prior to the audit report, an annual report expressing an opinion on whether the independence of the auditors or audit companies has been compromised. This report shall, in any case, contain the evaluation of the provision of each and every additional service referred to in the preceding section, considered individually and as a whole, other than legal audit services in relation to the rules on independence or in accordance with the audit regulations.

C.1.31 Indicate whether the company changed its external auditors during the fiscal year. If so, identify the incoming auditor and the outgoing auditor:

Yes []

No [X]

C.1.32 Indicate whether the audit firm performs other non-audit work for the Company and/or its group; and, if so, state the amount of fees received for such work and the percentage that this amount would represent compared to the total fees billed to the Company and/or its group for audit work:

Yes [X]

No []

	Company	Group companies	Total
Amount for non-audit work (thousands of Euros)	167	30	197
Amount of fees of other non-audit work/Amount of audit work (in %)	46.91	7.56	26.16

Observations
Regarding non-audit services, €60,500 was for audit-related services provided to the Group involving limited reviews, the issuance of comfort letters and agreed-upon procedure reports on ratios linked to finance contracts.
The rest – €136,353 – was for fees for other professional services to review the ESG indicators in the Integrated Annual Report, the greenhouse gas inventory, the compilation of pro forma financial information, the market study of SOCIMIs in Spain, and reviews of English translations from French of various items of corporate information.

C.1.33 Indicate whether the audit report for the annual financial statements of the previous fiscal year included any qualified opinions. Indicate the reasons given by the chairman of the audit committee to the shareholders of the General Meeting to explain the contents and scope of the qualified opinions.

Yes []

No [X]

C.1.34 Indicate the number of consecutive years in which the current audit firm has been auditing the Company's individual and/or consolidated annual financial statements. Likewise, indicate for how many years the current firm has been auditing the annual financial statements as a percentage of the total number of years over which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	7	7

	Individual	Consolidated
Number of years audited by the current audit firm/number of years the company or its group has been audited (as a %)	18.92	18.92

C.1.35 Indicate whether there is a procedure for the directors to be able to receive the necessary information to prepare for meetings of the management bodies sufficiently in advance, and if so, give details:

Yes [X]

No []

Details of the procedure
In order to ensure that the directors can adequately meet their obligations as such, Colonial guarantees that all the necessary information is provided for this purpose, and not only that which is legally required. To this end, the Chairman, with the collaboration of the Secretary, ensures that the directors have, beforehand and sufficiently in advance, the necessary information for the deliberation and adoption of resolutions on the matters to be discussed at each meeting, unless the Board of Directors has held a meeting or been convened on an exceptional basis for reasons of urgency. Likewise, any director may, at the request of the Chairman, Managing Director, or Secretary, request and examine the books, records, documents and other background information on corporate transactions, and may also obtain the necessary supplementary information from any interlocutors deemed appropriate. Lastly, there are channels for the members and committees of the Board of Directors to obtain the advice they need to carry out their duties, if necessary including external advice at the Company's expense. In this regard, in view of the functions of the Board Chairman, the directors shall send the Chairman requests for external assistance when they deem this necessary.

C.1.36 Indicate and, where appropriate, provide details of whether the company has established rules requiring directors to report and, where applicable, resign in the event of any circumstances that may affect them, whether or not related to their performance at the company, that could jeopardise the company's credit or reputation:

Yes [X]

No []

Explain the rules
Board Regulations stipulate that directors must tender their resignation to the Board of Directors and resign if the latter deems it appropriate subsequent to a report from the ARC when their continuation as a Board member may adversely affect the operation of the Board or jeopardise the credit or reputation of the Company for any reason. In particular, directors must inform the Board of Directors and, if appropriate, resign, in the event of any situations that affect them, regardless of whether or not they are related to their performance at the Company, that could affect the Company's credit and reputation. In particular, they must inform the Board of any criminal case in which they are involved and under investigation, as well as of any procedural events in such case. If the Board of Directors has been informed or otherwise been made aware of any of the situations mentioned, the Board shall examine the case as soon as possible and shall decide, based on the specific circumstances and after receiving a report from the ARC, whether to take any action. A reasoned account of this shall be provided in the Annual Corporate Governance Report, unless there are special circumstances that justify otherwise, which must be recorded in the minutes.

C.1.37 Indicate, unless special circumstances have arisen and been officially recorded, whether the Board has been informed or has otherwise become aware of any circumstances affecting a

director, whether or not related to their performance at the Company, that could jeopardise the Company's credit or reputation:

Yes []

No [X]

C.1.38 Detail any significant resolutions taken by the company which will come into force, are amended or terminated in the event of a change of control of the company following a takeover bid and the effects thereof.

At 31 December 2023, the Company had in place a sustainable credit facility for €1 billion with a maturity date of 2025 that was subsequently extended to 2027. At 31 December 2023, €105 million of this amount had been drawn down. A change of control could cause this sustainable credit facility to mature early.

In addition, several issues of fixed-income securities have been carried out, providing for the early maturity of the bonds, at the bondholders' option, in the event of a change of control leading to the loss of the Investment Grade rating. The total amount of the issues is €2.882 billion.

C.1.39 Identify, separately when referring to directors, and aggregated when referring to all other cases, and provide detailed information on, agreements between the company and its managers, officers and employees that provide for compensation or guarantee or golden parachute clauses in the event of resignation, unfair dismissal or termination of the contractual relationship as a result of a takeover bid or other operations.

Number of beneficiaries	2.
Type of beneficiary	Description of the agreement

CEO and Corporate General Manager	<p>CEO: The CEO shall receive additional remuneration by way of severance payment in the event of unjustified removal or non-renewal or a substantial reduction of his functions. This shall also accrue: (a) if he leaves or resigns from his position due to a change of control in the Company or to a significant change in the composition of the Board; (b) if the terms of his contract are amended without his consent; and (c) in any other cases that may be established by the Board of Directors. The severance payment shall be calculated based on two years of his fixed remuneration (€750,000) and target annual variable remuneration (100% of his fixed remuneration), excluding any other amounts already received and the rights derived from the long-term incentive plan in force at the time. Under the current LTIP approved at the Ordinary General Meeting of 30 June 2021, if he is removed from office without just cause during the term of the plan, the General Meeting fails to extend his term of office or his functions are significantly modified (including losing his executive status), he will be entitled to an early settlement of the plan as follows: (a) if the event that gave rise to the early settlement of the plan takes place within the first 18 months of one of the plan's three cycles, he shall be entitled to receive the target number of shares to which he is entitled in that cycle of the plan prorated for the number of days between the first day of the cycle in which the event took place and the effective date of termination, failure to extend his term or significant change to his functions; (b) if the event takes place in the second half of a cycle's target measurement period, he shall be entitled to receive the target number of shares to which he is entitled for that cycle. In addition, he will lose his right to the delivery of shares for justified dismissal, except for objective causes, termination of his contract with just cause or resignation, and in the event of a breach of contract in respect of confidentiality, non-solicitation of services or competition.</p> <p>Corporate General Manager: If she is dismissed by the Company (with the obligation to give three months' notice) and/or due to a change of control of the Company, she shall receive an amount of gross compensation equal to: (a) twice her annual fixed remuneration in force as at the date on which the contract comes to an end; plus (b) the sum of the amounts of variable remuneration received by her in the two years leading to the date on which the contract comes to an end (in the event of a change of control, provided that the contract comes to an end within three months following the change of control). The severance payment shall be calculated excluding any amounts already received and any rights arising from her participation in the LTIP in force at any given time. In the event of dismissal on disciplinary grounds or unfair dismissal, the same severance pay shall apply as in the case of dismissal by the company. Finally, as a beneficiary of the LTIP approved at the Ordinary General Meeting of Shareholders of 30/06/2021, it is envisaged that she will lose her right to the delivery of shares in the event of justified dismissal except for objective causes, termination of her contract with just cause or resignation on her own initiative, and in the event of a breach of contract in respect of confidentiality, non-solicitation of services, or competition.</p>
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Indicate whether, beyond the assumptions envisaged in the legislation, these contracts must be reported to, and/or authorised by, the governing bodies of the company or its group. If this is the case, specify the procedures, assumptions foreseen and nature of the bodies in charge of their approval or their communication:

	Board of Directors	General Meeting
Body which authorises the clauses	X	

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

Observations
<p>The internal rules for the approval of the terms and conditions of contracts concluded by the Company or Group companies with the senior management and directors, which can be found in the Company Bylaws and the Regulations of the Board of Directors, do not deviate from the rules provided by law under the Spanish Limited Liability Companies Law.</p> <p>The clauses of senior management contracts are approved by the Board of Directors following a favourable report from the Appointments and Remuneration and Sustainability Committees.</p> <p>The information on these clauses, which are included in the CEO's contract, can be found in the Annual Report on the Remuneration of Directors for 2023, which will be submitted for an advisory vote as a separate item on the agenda at the 2023 Ordinary General Meeting of Shareholders.</p>

C.2 Board Committees

C.2.1 Give details of all Board Committees, their members and the proportion of executive, proprietary, independent and other external directors that form them:

EXECUTIVE COMMITTEE

Name	Position	Category
Mr Juan José Brugera Clavero	Chairman	Other external
Mr Pedro Viñolas Serra	Member	Executive
Mr Carlos Fernández González	Member	Proprietary
Mr Juan Carlos García Cañizares	Member	Proprietary
Mr Giuliano Rotondo	Member	Proprietary
Mr Luis Maluquer Trepát	Member	Independent

% of executive Directors	16.67%
% of proprietary Directors	50.00%
% of independent Directors	16.67%
% of other external Directors	16.67%

Explain the functions delegated or conferred to this Committee other than those already described in section C.1.9, and describe the procedures and rules of its organisation and operation. For each of these functions, indicate the more relevant actions during the fiscal year and how it effectively carried out each of the functions conferred to it in accordance with the law, Company Bylaws, or other corporate agreements.

The Executive Committee shall be made up of at least three and not more than eight members. The Chairman and Secretary to the Committee shall be the Chairman and Secretary to the Board of Directors. The Executive Committee may appoint from among its members a Deputy Chairman who shall act as Chairman in the event of absence. The Board of Directors shall appoint the members of the Executive Committee, ensuring that its membership structure reflects the various types of directors in a similar manner to that of the Board. To be valid, the appointment of directors who constitute the Executive Committee shall require a vote in favour by two thirds of the members of the Board and shall not be effective until it has been entered in the Commercial Registry.

The members of the Executive Committee shall cease to be members when they cease to be directors or when so resolved by the Board. The Executive Committee shall be called by its Chairman on his/her own initiative or when this has been requested by two of its members. The meeting must be convened by letter, telegram, e-mail or fax addressed to each of its members at least 48 hours in advance of the date of the meeting; however, it may be called with immediate effect for reasons of urgency.

The meetings shall be held at the Company's registered office or at any location designated by the Chairman and indicated in the notice. For an Executive Committee meeting to be validly constituted, the majority of its members must attend, either physically present or represented by proxy. The absolute majority of the members of the Committee shall adopt the resolutions. In the event of a conflict of interest, the affected director shall refrain from participating in the transaction to which the conflict refers. The votes of the directors who are affected by such a conflict of interests and who must abstain shall be deducted for the purposes of calculating the necessary majority of votes. In the event of a tie, the matter shall be submitted to the Board of Directors. Through its Chairman, the Executive Committee shall report to the Board on the business transacted and the resolutions adopted by the Committee. In 2023, the Committee met only once.

AUDIT AND CONTROL COMMITTEE

Name	Position	Category
Ms Ana Peralta Moreno	Chairman	Independent
Ms Ana Bolado Valle	Member	Independent
Mr Luis Maluquer Trepát	Member	Independent
Ms Miriam González-Amézqueta López	Member	Independent

Ms Begoña Orgambide García	Member	Proprietary
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% of proprietary Directors	20.00%
% of independent Directors	80.00%
% of other external Directors	0.00%

Observations
On 23 January 2023, the Board of Directors appointed Ms Begoña Orgambide García, a proprietary Director, as a member of the ACC. In addition, on 11 July 2023, the Board of Directors appointed Ms Miriam González-Amézqueta López, an independent Director, as a member of the ACC. The ACC thus currently has five members, four independent Directors and one proprietary Director.

Explain the functions, including, if applicable, those additional to those provided for by law, conferred to this committee, and describe the rules and procedures of its organisation and operation. For each of these functions, indicate the more relevant actions during the fiscal year and how it effectively carried out each of the functions conferred to it in accordance with law, the Company Bylaws or other corporate agreements.

<p>The ACC's functions, procedures and rules of operation are set out in the Regulations of the Board of Directors and its own regulations. Pursuant to its duties, in 2023, it carried out, among others, the following actions:</p> <ul style="list-style-type: none"> ▪ Economic and Financial Information: The ACC analysed the process of drawing up: (i) the annual financial information for the year ended 31 December 2022; (ii) the financial information for Q1 and Q3 of 2023; and (iii) the half-yearly financial report for the first half of 2023. ▪ Internal Control Systems: The ACC oversaw the operation and implementation of the Company's internal control systems, as well as its risk management systems, including in relation to tax risks. The analysis focused on the control of financial and non-financial information. The ACC considered the conclusions received to be positive, with the assurance that the financial and non-financial information had been properly drawn up with the necessary procedures and controls in place. The ACC submitted its reports with its favourable opinion to the Board of Directors. The ACC was duly informed of the ICFR and the reports drawn up for this purpose. After carrying out the appropriate controls, the ICFR was thus deemed to be working correctly. The ACC also oversaw the updating of the corporate risk map, the evolution of the various risks and the control measures taken to mitigate them. In addition, the ACC submitted to the Board a report on the risk management and control policy. ▪ Relations with the External Auditor: The ACC established appropriate relations with the external auditor, PwC, acting as a communication channel between the Board and the external auditor and assessing the findings of the audits. It also had access to information about its work plan, the progress made in its work and its significant findings. The external auditor also provided non-audit services. Those services and the related corresponding amounts accrued were approved by the ACC. It also confirmed the external auditor's independence. Finally, the ACC approved the proposal to re-elect the external auditor for 2024. ▪ Internal Audit: The ACC approved the Internal Audit Plan for 2023 and oversaw its progress and degree of compliance. It was also able to examine the outcomes of the most significant tasks carried out by the Head of Internal Audit, including monitoring the ICFR, establishing the ICNFR and carrying out a variety of audits. In addition, it analysed the outcomes of specific tasks in the field of cybersecurity and tracked the degree of compliance with the recommendations made by the Head of Internal Audit. Furthermore, it oversaw the coordination between Colonial's
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and SFL's internal auditing and put forward the appropriate proposals to foster this coordination. Finally, the Head of Internal Audit provided the ACC with various reports on the external auditor's independence.

- **Tax Risks:** The ACC constantly monitored the main tax risk-related issues, overseeing the tax management carried out by the various departments in charge of such matters and the deployment of a new tool to ensure tax compliance.
- **Related-Party Transactions:** The ACC was duly informed of potential related-party transactions, especially about intra-group financing transactions and lease contracts. After its analysis, the ACC issued a favourable opinion to the Board of Directors regarding a related-party transaction relating to an intra-group financing operation.
- **Corporate Governance:** The ACC issued a favourable opinion on the ACGR for 2022. Furthermore, it oversaw compliance with the Company's internal policies and promoted and fostered a culture of compliance with the texts and regulations applicable to the Company.
- **Regulatory Compliance:** The ACC oversaw the work entrusted to the Regulatory Compliance Unit. It thus monitored the Company's criminal risk prevention, took note of the external expert's monitoring report on the internal control procedures relating to the prevention of money laundering and monitored privacy matters and compliance with the multi-annual training plan and corporate policies. The ACC took note of the new developments arising from Law 2/2023 and issued a favourable opinion to the Board of Directors on the approval of the Colonial Group's General Whistleblowing Channel Policy and Whistleblowing Channel Procedure. The ACC analysed SFL's position and degree of regulatory compliance, particularly in relation to ethics and the prevention of money laundering.
- **ESG:** The ACC oversaw the non-financial information contained in the Annual Remuneration Report (IAR), paying special attention to the ESG indicators and the progress made in the digitalisation and centralisation of environmental data. Moreover, the IAR was approved at the joint meeting held with the SC, at which it was also resolved to submit it to the Board of Directors for approval and announcement to the market. The ACC was also kept duly informed of: the drawing up of the ESG reports and the status of the carbon footprint audit; and (ii) the main new ESG developments.
- **Treasury Shares:** Over the course of the year, the ACC was kept abreast of the number of treasury shares.

Identify the directors who are members of the audit committee appointed with regard to their knowledge and experience in accounting, auditing or both, and indicate the date when the Chairman of the committee was appointed as such.

Names of directors with experience	Ms Ana Peralta Moreno / Ms Ana Bolado Valle / Mr Luis Maluquer Trepas / Ms Begoña Orgambide García / Ms Miriam González-Amézqueta López
Date the Chairman was appointed as such	12/05/2020

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Category
Ms Ana Bolado Valle	Chairman	Independent
Ms Silvia Mónica Alonso-Castrillo Allain	Member	Independent
Mr Luis Maluquer Trepas	Member	Independent
Mr Juan Carlos García Cañizares	Member	Proprietary
% of proprietary Directors	25.00%	
% of independent Directors	75.00%	
% of other external Directors	0.00%	

Explain the functions, including, if applicable, those additional to those provided for by law, conferred to this committee, and describe the rules and procedures of its organisation and operation. For each of these functions, indicate the more relevant actions during the fiscal year

and how it effectively carried out each of the functions conferred to it in accordance with law, the Company Bylaws or other corporate agreements.

The ARC's functions, procedures and rules of operation are set out in the Regulations of the Board of Directors (Article 33); and in 2023, the Committee carried out the following activities, among others, pursuant to its duties:

▪ **Appointments**

- Reporting to the Board of Directors its favourable opinion about the proposed ratification and appointment of Ms Begoña Orgambide García as Proprietary Director of the Company following the proposal of the Finaccess Group.
- Putting forward to the General Meeting the re-election of Ms Ana Bolado Valle, Ms Ana Peralta Moreno and Ms Silvia Alonso-Castrillo as Independent Directors for the Company.
- Suggesting the General Meeting exempts Ms Ana Bolado Valle from the non-compete clause given her status as member of the Board of Directors of Metrovacesa, S.A.
- Putting forward to the General Meeting, following advice from Seeliger y Conde, the appointment of Ms Miriam González-Amézqueta as new Independent Director for the Company.
- Producing a report for the Board of Directors supporting the proposed appointment of Mr Manuel Puig Rocha as new proprietary Director for the Company as put forward by Puig, S.A.
- Producing a report for the Board of Directors supporting the proposed appointment of Mr Giuliano Rotondo as new proprietary Director as put forward by Qatar Investment Authority, after recording the resignation of Mr Adnane Mousannif.
- Putting forward to the Board of Directors the appointment of Mr Giuliano Rotondo as member of the Company's Executive Committee.
- Putting forward to the Board of Directors the appointment of Ms Begoña Orgambide García and Ms Miriam González-Amézqueta López as members of the Audit and Control Committee.

▪ **Remuneration matters**

- Proposing to the Board, following WTW's advice, and a new Directors' Remuneration policy for the 2024-2026 period.
- Preparing a report justifying the new Directors' Remuneration policy which was put to vote at the General Meeting of Shareholders.
- Issuing a report with a favourable opinion on the Annual Report of Directors' Remuneration, thus proposing its approval by the Board of Directors.
- Analysing the outcome of the votes on the Directors' Remuneration policy and their remuneration at the General Meeting of Shareholders.
- Putting forward to the Board of Directors the variable remuneration of the Chairman (for the time during which he had executive functions) and the CEO for 2022.
- Determining the metrics, weightings and targets for the CEO's variable remuneration for 2023.
- Issuing a favourable report on the fixed and variable remuneration of the Company's management team.
- Agreeing on the structure of the targets to determine the variable remuneration of the management team for 2023.
- Proposing to the Board of Directors, following WTW's advice, the new metrics and parameters for the third cycle (2023-2025) in the 2021 Long Term Incentive Plan approved by the General Meeting of Shareholders.
- Proposing, based on the level of compliance with the indicators and the achievement of certain milestones, the number of shares to be allocated to the beneficiaries of the Long Term Incentive Plan within the limits set by the General Meeting of Shareholders.
- Ensuring compliance with the Remuneration Policy set by the Company.
- Analysing and discussing SFL's remuneration system and long-term incentive plan in order to align it with that of the Company. This must then be approved by SFL's corporate bodies.

▪ **Corporate Governance**

- Analysing and giving a favourable opinion on the appointment of Mr Pedro Viñolas Serra as member of the Board of Directors of Banco de Sabadell, S.A.

- Analysing the degree of compliance with corporate governance recommendations in accordance with the Annual Corporate Governance Report.
- Reviewing the succession plan for the Chairman of the Board of Directors and the CEO of the Company.
- Confirming the current skills matrix for the members of the Board of Directors.
- **Ordinary Management**
- Coordinating and submitting to the Board its assessment reports in relation to the Board of Directors, the Committee and the SC, as well as on the performance of the Chairman of the Board, the CEO and the Secretary of the Board, with the advice of Georgeson, as well as the recommendations and suggestions for improvements made by the directors in the assessment questionnaires.
- Promoting the Directors' refresher and training plan. Training sessions held during the year focused on debt markets, financial management, ESG strategy and positioning for the Company, the situation and prospects of the energy market and trends in urban planning.
- Examining the qualifications of the members of the Board of Directors in accordance with their corporate documents, the Spanish Limited Liability Companies Law and the corporate governance recommendations.
- Overseeing the HR strategy and management.
- Analysing the civil liability insurance for Directors and officers in the Company and SFL.

SUSTAINABILITY COMMITTEE

Name	Position	Category
Ms Silvia Mónica Alonso-Castrillo Allain	Chairman	Independent
Ms Ana Peralta Moreno	Member	Independent
Ms Ana Bolado Valle	Member	Independent
Mr Luis Maluquer Trepal	Member	Independent

% of executive Directors	0.00%
% of proprietary Directors	0.00%
% of independent Directors	100.00%
% of other external Directors	0.00%

Explain the functions conferred to this Committee and describe the procedures and rules of its organisation and operation. For each of these functions, indicate the more relevant actions during the fiscal year and how it effectively carried out each of the functions conferred to it in accordance with law, Company Bylaws, or other corporate agreements.

The SC's functions, procedures and rules of operation are set out in the Regulations of the Board of Directors (Article 34); and in 2023, it carried out the following activities, among others, pursuant to its duties:

- Analysing, assessing and driving the Company's environmental and sustainable development policies and practices.
- Overseeing and approving, together with the Audit and Control Committee, the Integrated Annual Report of the Company in order to submit it to the Board of Directors for approval with a view to its subsequent publication and dissemination to the market. Furthermore, the Committee analysed the ESG aspects and progress of the Integrated Annual Report, its impact on the market and the Company's position with respect to its competitors.
- Analysing the linking of part of the executive Directors' and the management team's variable remuneration to the achievement of ESG targets.
- Reviewing the report on the ESG indicators used by the Company, as well as the limited assurance reports on the 2022 GHG Inventory (Greenhouse Gas Emissions Inventory) and Green Bonds issued without qualification by the Company's external auditor.
- Carrying out a quantitative analysis of the most relevant sustainability metrics, such as total energy consumption, intensity of consumption or carbon emissions.

- Monitoring the fulfilment of the quantitative and qualitative ESG criteria set by certain independent agencies (GRESB, CDP, MSCI), as well as the energy certification standards (LEED and BREEAM) for the office portfolio.
- Overseeing the degree of compliance with the Company's climate strategy.
- Reviewing and monitoring the degree of compliance with the strategy and goals for the decarbonisation of the Company's assets in the short and long terms to achieve carbon neutrality by 2030 (this goal was previously set for 2050), as well as the application of the Carbon Risk Real Estate Monitor (CRREM) tool.
- Analysing the progress made in the monitoring of the Company's Scope 1 (*direct emissions*), Scope 2 (*indirect emissions*) and Scope 3 (*other indirect emissions*) carbon footprint in accordance with global standards (GHG).
- Overseeing the updating of the reporting mechanisms in accordance with the new GRI standards, improving traceability between the results of the materiality analysis and the ESG content reported by Colonial, and adapting the GRI content index to the new requirements of the GRI standard.
- Analysing and monitoring the progress made in the development of the Company's risk management and control system (SCGR), with particular emphasis on the classification of the main ESG risks and the integration of climate and environmental risks, as well as implementing digital tools (Deepki) to optimise management and control.
- Monitoring the development and implementation of an internal control system to enhance the reliability of data relating to non-financial information.
- Analysing how Colonial is affected by regulatory trends and developments, the green taxonomy, and the Spanish ESG regulations specifically mentioned by the Company's external auditor.
- Holding training sessions to promote sustainability training and updating of knowledge among Colonial's staff and directors.
- Monitoring the improvement of the Group's diversity, human rights and non-discrimination programmes.

C.2.2 Fill in the following table with the information on the number of female directors sitting on the Board Committees at the end of the last four years:

	Number of female board members							
	2023		2022		2021		2020	
	Number	%	Number	%	Number	%	Number	%
Executive Committee	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Audit and Control Committee	4	80.00%	2	66.67%	2	50.00%	1	33.33%
Appointments and Remuneration Committee	2	50.00%	2	40.00%	2	40.00%	2	40.00%
Sustainability Committee	3	75.00%	3	60.00%	3	60.00%	3	60.00%

Observations
On 23 January 2023, the Board of Directors appointed Ms Begoña Orgambide García as a member of the ACC. In addition, on 11 July 2023, the Board of Directors appointed Ms Miriam González-Amézqueta López as a member of the ACC. This means that, since that date, the ACC has had five directors, of whom four, i.e. 80% of the Committee, are women. It is worth noting in this regard that the ACC, the ARC and the SC are currently all chaired by women.

C.2.3 State any regulation of Board Committees, the location at which they are available for consultation, and any amendments made during the year. Also state whether any voluntary annual reports have been produced on the activities of each committee.

The rules governing the Board Committees are set out in the Company Bylaws and the Regulations of the Board of Directors, which are available on the corporate website ([link](#)). In addition, the Company has a set of ACC Regulations. As to the annual reports on its activities, reports on the operation, structure and functions of the ACC, the ARC and the SC have been produced. The reports on the ACC and the ARC will be made available to shareholders, together with any other

appropriate documentation, on the Company's corporate website when convening the Ordinary General Meeting of Shareholders of Colonial. No changes to the regulations governing the committees were made in 2023.

RELATED-PARTY TRANSACTIONS AND INTRACOMPANY TRANSACTIONS

- D.1** Explain, if applicable, the procedure and competent bodies for the approval of related-party and intra-group transactions, stating the company's criteria and general internal rules on the obligation for affected shareholders or directors to abstain and providing details of the internal reporting and periodic control procedures stipulated by the company for related-party transactions whose approval has been delegated by the Board of Directors.

In accordance with the Regulations of the Board of Directors, transactions concluded between the Company or Group companies on the one hand, and directors, shareholders holding at least 10% of the voting rights in the Company or who are represented on its Board of Directors, or any other persons that must be considered related parties under international accounting standards on the other, are considered related-party transactions (the "Related-Party Transactions"). By way of exception to the above definition, the following will not be considered Related-Party Transactions: (i) transactions carried out between the Company and its fully owned subsidiaries, either directly or indirectly; (ii) the Board of Directors' approval of the terms and conditions of contracts to be concluded with directors who are to carry out executive functions including, if applicable, the CEO or senior officers; as well as the establishment by the Board of the specific amounts or remuneration to be paid under such contracts; and (iii) transactions carried out by the Company with its subsidiaries or investee companies, provided that no other party related to the Company has holdings in such subsidiaries or investee companies.

The General Meeting of Shareholders is the competent body for the approval of Related-Party Transactions in the cases provided for by law, and in particular in relation to Related-Party Transactions for amounts of at least 10% of the total value of assets recorded in the Company's most recently approved annual balance sheet. In such case, the affected shareholder shall lose the right to vote unless the motion has been approved by the Board of Directors without the opposing vote of the majority of the independent Directors.

All other Related-Party Transactions must be approved by the Board of Directors, who may not delegate this power except in relation to Related-Party Transactions: (i) concluded with Group companies in the Company's ordinary course of business and under market conditions; or (ii) concluded under contracts with standard terms that are applied en masse to a large number of clients, at rates or prices established for general application by the party acting as supplier or provider of the goods or services in question, for an amount not exceeding 0.5% of the Company's net turnover. The affected directors or those representing or related to the affected shareholders must refrain from taking part in the deliberation and voting for the relevant resolution.

Regardless of the body that is responsible for approving each Related-Party Transaction, the ACC must issue a preliminary report assessing whether the transaction is fair and reasonable from the Company's point of view and, if applicable, from that of its shareholders other than the related party. It must also report on the budgets on which the transaction is based and on the methods used. Directors who are members of the ACC and are affected by the Related-Party Transaction may not be involved in the preparation of the report. This report is not mandatory for Related-Party Transactions whose approval has been delegated by the Board of Directors in cases permitted by law. In such cases, the Board of Directors itself has a periodic internal reporting and control procedure to verify that transactions are fair and transparent and that the applicable legal criteria are being complied with.

D.2 Provide details of each individual transaction that is either significant due to its amount or relevant due to its subject matter concluded between the company or its subsidiaries and shareholders holding at least 10 % of the voting rights or with representation on the company's Board of Directors, indicating the competent body for its approval and specifying whether any affected director or shareholder abstained from voting. If the competent body was the General Meeting, state whether the proposed resolution was approved by the Board without the majority of independent Directors voting against it:

Name or company name of the shareholder or any of its subsidiaries	Stake %	Name or company name of the company or subsidiary	Nature of the relationship	Type of transaction and other information required for its assessment	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or director who abstained from voting	The proposal to the General Meeting, if applicable, was approved by the Board of Directors without the majority of independent Directors voting against it
No data								

Observations

D.3 Provide details of each individual transaction that is either significant due to its amount or relevant due to its subject matter concluded between the company or its subsidiaries and the company's directors or officers, including transactions concluded with companies that are controlled or jointly controlled by the director or officer, indicating the competent body for its approval and specifying whether any affected director or shareholder abstained from voting. If the competent body was the General Meeting, state whether the proposed resolution was approved by the Board without the majority of independent Directors voting against it:

Name or company name of the director or officers or their controlled or jointly controlled companies	Name or company name of the company or subsidiary	Link	Nature of the transaction and other information required for its assessment	Amount (thousands of euros)	Approving body	Identification of the shareholder or director who abstained from voting	The proposal to the General Meeting, if applicable, was approved by the Board of Directors without the majority of independent Directors voting against it
Mr Juan José Brugera Clavero	Société Foncière Lyonnaise	Corporate	Exchange of shares pursuant to the Takeover Bid for the subsidiary SFL	1,070	Board of Directors	Juan José Brugera Clavero	N/A

Observations
The shares in SFL belonging to Mr Juan José Brugera Clavero that were exchanged were those that could not be included in

Colonial's takeover bid for SFL shares due to the restrictions contained in the French regulations regarding the obligation to hold the shares received under a share option plan for a certain amount of time.

- D.4** Provide a breakdown of any intra-group transactions that are either significant due to their amount or relevant due to their subject matter concluded between the Company and its parent company or other companies in the parent company's group, including the listed company's own subsidiaries, unless no other related party of the listed company has a stake in such subsidiaries or they are fully owned, directly or indirectly, by the listed company.

In any case, list any intragroup transactions carried out with entities in countries or territories considered to be tax havens:

Corporate name of the company in the group	Brief description of the transaction and other information required for its assessment	Amount (thousands of euros)
Société Foncière Lyonnaise	The Company entered into a framework agreement with SFL, a company in which Colonial has a stake of 98.33%, governing the possibility of structuring intra-group loans with a maturity of up to 1 year, always at market interest rates and at a market price.	Up to €600,000

Observations

- D.5** Provide details of each individual transaction that is either significant due to its amount or relevant due to its subject matter concluded between the company or its subsidiaries and other related parties that qualify as such under the EU's International Accounting Standards that have not been included in the preceding sections.

Company name of the related party	Brief description of the transaction and other information required for its assessment	Amount (thousands of euros)
No data		

Observations

- D.6** State the mechanisms established to detect, determine and resolve any conflicts of interest between the company and/or the group, directors, officers, significant shareholders or other related parties.

In general, the directors of the Company must take the necessary steps to avoid becoming involved in situations in which their own interests or those that they may share with others could come into conflict with the Company's interests and with their duties to the Company.

Furthermore, under the Company Bylaws and the Regulations of the Board of Directors, directors may not take part in deliberation and voting on resolutions or decisions in which they or a person related to them has a (direct or indirect) conflict of interest, excluding those resolutions or decisions that affect them in their capacity as directors, such as those relating to their appointment to, or removal from, positions on the Board of Directors or others of similar import. In particular, directors must refrain from: a) carrying out transactions with the Company, unless they are ordinary transactions under the standard conditions applied to customers and of scarce relevance; in other words, transactions whose information is not required to produce an image of the shareholders' equity, financial statements or results of the Company; b) using the Company's name or using their position as directors to wrongfully influence private operations; c) making use of corporate assets, including the Company's confidential information, for personal purposes; d) benefiting from the Company's business opportunities; e) gaining advantages or remuneration from third parties other than the Company and its Group on account of the performance of their role, unless they are given as mere gifts or business courtesies; and f) carrying out activities, on an employed or self-employed basis, that are effectively in actual or potential competition with the Company or that place them in any other way in constant conflict with the Company's interests. The foregoing shall also apply if the beneficiary of the actions or prohibited activities is a person related to the director as per the legal definition

of related party.

The authorisation must be approved by the General Meeting if its purpose is to waive the prohibition on obtaining an advantage or remuneration from third parties or if it affects a transaction whose value is greater than 10% of the Company's assets. In all other cases, it may be granted by the Board of Directors provided that the members that grant it remain independent from the director who has been excused. It must also be ensured that the authorised transaction is not harmful to the shareholders' equity and that, if appropriate, it is carried out at arm's length and transparently. The Company must also ensure that the authorised transaction does not harm its assets and liabilities and, where applicable, ensure it is carried out under market conditions and that the process is transparent. The General Meeting shall grant dispensation through an express and separate resolution.

D.7 Indicate whether the company is controlled by another listed or unlisted company, as described in Art. 42 of the Spanish Commercial Code and has, directly or through its subsidiaries, business relations with this company or one of its subsidiaries (other than the listed company) or carries out activities related to any of them.

Yes []

No [X]

E. RISK MANAGEMENT AND CONTROL SYSTEMS

E.1 Describe the financial and non-financial Risk Management and Control System in place at the company, including in relation to tax risks.

Colonial seeks to generate sustainable value through the strategic management of its business activity, taking into consideration the associated risks and opportunities, which helps to strengthen its leadership in the sector and consolidate its position in the long term. As risk management is a key aspect of Colonial's organisational culture, the Company has developed a Risk Management and Control System (hereinafter "RMCS") that lays down certain bases to efficiently and effectively manage financial and non-financial risks, including tax risks, throughout the organisation.

In order to meet these corporate objectives, the risks to which Colonial is exposed are identified, analysed, assessed, managed, controlled and updated. In order to maintain an effective and updated RMCS, Colonial prepares a corporate risk map identifying the main risks affecting the Group and evaluating them in terms of impact and likelihood of occurrence. This map is reviewed and updated every year in order to provide an integrated and dynamic risk management tool that evolves along with the changes in the environment in which the Company operates and the changes in the organisation itself. Also, Colonial's RMCS establishes monitoring activities by the owners of risk (area managers) by updating the records of the risks in order to verify the effectiveness of the controls in place.

The Internal Audit Unit analyses the corporate risk map and proposes which processes, risks, and controls should be reviewed each year in the Internal Audit Plan.

E.2 Identify the bodies responsible for preparing and implementing the financial and non-financial Risk Management and Control System, including tax risks.

The Board of Directors is responsible for determining the Company's risk management and control policy, including tax risks, identifying its main risks, and implementing and supervising the internal reporting and control systems in order to ensure the future viability and competitiveness of the Company, adopting the decisions best suited to its implementation. The ACC assists the Board of Directors in this regard. The ACC performs, inter alia, the following functions relating to risk management and control:

- Submitting a report on risk policy and management for approval by the Board.
- Conducting a regular review of risk management and control systems, in such a way that the main risks are identified, managed and notified properly.
- Overseeing the preparation, completeness and filing of regulated public information (financial and non-financial).

In addition, the Company has set up a Regulatory Compliance Division (RCD) and Internal Audit Unit to reinforce this

objective. The RCU is responsible for ensuring compliance with any laws and regulations that may affect the Company, and the Internal Audit Unit is responsible for carrying out the necessary supervision tasks set forth in its annual plans to assess the efficiency of the risk management and control procedures implemented to minimise risks.

The main responsibilities assigned in relation to the RMCS correspond to the Board of Directors, the ACC and the Internal Audit Unit. The RMCS also explicitly sets out the responsibilities of senior management, operational managers and owners of the risks in relation to risk management.

E.3 Specify the main financial and non-financial risks (including tax risks) and, when significant, those derived from corruption (as described in Spanish Royal Decree 18/2017) that may jeopardise the business targets.

In accordance with adequate risk management and control, in order to avoid possible situations of corruption, bribery or fraudulent actions, Colonial has approved different policies that establish mechanisms and controls to prevent such situations from occurring. Furthermore, for the proper implementation of these policies and other control mechanisms, the Company distinguishes between the different types of risks to which the Group is exposed based on their origin:

- ✓ **External risks:** Risks related to the environment in which Colonial operates and that influence and determine the Company's operations.
- ✓ **Internal risks:** Risks arising from the Company's own activity and that of its management team.

The main external risks faced by Colonial in achieving its targets include:

- Economic risks arising from the political and macroeconomic situation of the countries in which we operate and from changes to investors' own expectations.
- Market risks arising from the transformation of the sector and the business model itself, the greater complexity involved in implementing the investment/divestment strategy, and the fluctuation of the real estate market with an impact on real estate asset valuation.
- Financial risks related to restrictions in the capital markets, interest rate fluctuations, the impact of changes in tax legislation and client portfolio management.
- Environmental risks, such as those relating to crisis management, those derived from more stringent ESG regulation and demands, and mainly those related to the physical and transition risks caused by climate change with consequences on the Group's activities.

The main internal risks faced by Colonial in achieving its targets include:

- Strategic risks relating to the Group's size and diversification, the composition of the asset portfolio, and the strategy in the co-working market.
- Various operational risks related to lease management, the development of projects in time and within cost parameters, the management of the level of debt and loss of the current credit rating, cyberattacks or failures in information systems, as well as those inherent in the management of the organisational structure and talent.
- Risks arising from compliance with all the regulations and contractual obligations applicable to it, including tax risks concerning the loss of Colonial's SOCIMI status or its French affiliate SFL's loss of its real estate investment trust (SIIC) status.

E.4 State whether the company has risk tolerance levels, including tax risks.

In accordance with the framework defined in the SCGR, Colonial analyses and assesses the Group's risk level and exposure to the various risks identified in accordance with changes in its environment, in order to achieve its goals, carry out the defined strategy and preserve the Group's value.

Operating management of the risk model at Colonial has been structured into a corporate risk map, which is the tool that graphically represents the assessment of risks according to their impact, their effect on Colonial measured in economic terms, and their probability, potential occurrence of the risk event over time.

In this regard, the Company assesses risk from two angles: inherent risk, which is understood to be that to which the Company is exposed in the absence of any mitigating action/controls; and residual risk, which is understood to be the risk remaining after the corresponding prevention and control measures have been taken. As a result, a classification of risks is obtained, although the company's policy is to adequately monitor each of the risks.

E.5 Identify any financial and non-financial risks, including tax risks, that have occurred during the year.

The risks defined in the Colonial Group's business model in accordance with the various activities carried out by it may

materialise over the course of each year. The main risks that materialised this year were:

Geopolitical tensions continued in 2023, mainly due to the continuation of the Russia-Ukraine conflict and the outbreak of war in the Gaza Strip, which has further damaged the macroeconomic situation and prolonged the uncertainty regarding the recovery of certain economies in the Eurozone. Against this background, real estate investments in Europe have fallen by 60%, hindering the divestment of non-strategic assets.

Furthermore, a high impact on the risk linked to the fluctuation of the real estate cycle was observed in 2023. This has resulted in a significant fall in the valuation of the Group's real estate portfolio due to the European Central Bank's historical interest rate increase aimed at containing the high inflation that characterised 2022 and continued in 2023, albeit in a less pronounced manner. As a result of this sharp interest rate rise, the management of debt and liquidity levels and the maintenance of the credit rating levels have remained a priority for the Group in order to strengthen its financial structure for the coming year and increase its investment capacity for any opportunities that may arise in the sector.

The physical and transition risks linked to climate change have led to the implementation of policies and strategies in this field through the implementation of the decarbonisation plan approved by the Group and specific actions aimed at improving the quality of properties and the measurement of their energy consumption levels in order to optimise their environmental impact.

The Company's adaptation to various stakeholders' increasing non-financial reporting requirements has led to a review of their compliance and of the design and implementation of control systems to respond to this increasingly demanding environment in accordance with the Group's commitment and compliance in this regard. Similarly, in this field of ESG, the uncertainty resulting from the potential impact of the European taxonomy and the future application of the Corporate Sustainability Reporting Directive (CSRD) requires analysis and monitoring in order to adapt to and comply with their requirements.

In order to face the new challenges and changes to the business model and manage the risks mentioned above and the new growth and development opportunities for the Group, it is a priority to manage human capital and develop talent in this complex situation.

In view of this, Colonial reviewed and monitored the progress of these risks and found that it is very resilient, particularly in relation to strategic, operational and financial matters, and that its control systems work well, enabling it to manage and mitigate these risks appropriately, guarantee operations and preserve the Group's value.

E.6 Explain any response and supervision plans in place for the company's main risks, including tax risks, as well as the procedures followed by the company to ensure that the Board of Directors can respond to coming challenges.

The risk management model implemented sets out the response and monitoring plans for the main risks based on an assessment thereof. The corporate risk map has a dynamic focus and is therefore reviewed annually in order to monitor the evolution of the risks affecting the Group and the action plans defined and implemented by each area, with the necessary controls put in place to mitigate each of the risks owned by them. The results of this analysis are reviewed by the Audit and Control Committee, which reports them to the Board of Directors together with any significant change in the risks included in this risk map. Risks are thus classified into four levels based on their impact and likelihood, ranging from most to least serious, and are then placed in one of the following categories according to the organisation's planned response to each of them:

- **Avoid:** This entails abandoning activities that generate risks where no response has been identified that could reduce their impact and/or likelihood to an acceptable level.
- **Reduce:** This entails taking action to reduce the likelihood and/or impact of the risk, thereby reducing the residual risk to the desired level.
- **Share:** The likelihood or impact of a risk is reduced by transferring or sharing part of the risk to reduce the residual risk to the desired level.
- **Accept:** No action is taken which may affect the likelihood or impact of the risk, as the residual risk is already at the desired level.

The owners of each risk are responsible for preparing the records of risks in order to report the treatment established to mitigate and/or maintain the level of risk at the threshold accepted by the Company. Each risk record contains the following details: (i) the aim of the action plan; (ii) a description of the course of action; (iii) the owner of the risk; (iv) the cut-off date for taking action; and (v) details of the action to be taken with those responsible for implementation, with start and end dates.

The Internal Audit Unit supervises the response plans for which the risk owners are responsible.

F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS IN RELATION TO INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)

Describe the mechanisms that comprise the risk management and control systems in relation to internal control over financial reporting (ICFR) at your company.

F.1 The company's control environment

Provide information, stating the main features, on at least the following:

F.1.1 The bodies and/or functions responsible for (i) the existence and maintenance of a suitable and effective ICFR system; (ii) its implementation; and (iii) its supervision.

The Board of Directors, as stipulated in the Regulations, is ultimately responsible for the existence and updating of a suitable and effective ICFR system.

Specifically, Article 5 of the Board Regulations ("*General Functions and Competences*") stipulates, *inter alia*, the following functions:

- Establishing the Company's general policies and strategies, approving the investment and financing policy, the strategic or business plan, the annual management targets and budget, and the treasury share policy, as well as establishing the corporate governance policy for the Company and the Group, and the dividend policy. The Board of Directors shall also establish the Company's risk management and control policy, including tax risks, identifying its main risks, and implementing and overseeing the internal reporting and control systems to ensure the future viability and competitiveness of the Company, adopting the best decisions for optimal performance.

To this end, Colonial has drawn up an Internal Risk Management and Control Manual for its ICFR system, approved by the ACC, setting out in detail the method for establishing the materiality of risks, as well as the method for documenting, classifying and assessing risks and the associated control activities.

- Approval of the financial information that all listed companies must periodically disclose.
- Monitoring the effective functioning of the Committees created by the Board and the performance of the delegated bodies and officers designated by the Board.
- Approving and amending Board Regulations.

The ICFR Organisation and Supervision Model, approved by the ACC, establishes the mechanism that the Board of Directors, and by delegation, the ACC, deems appropriate and sufficient to guarantee the completeness, reliability, correct presentation and validity of Colonial's financial information.

Without prejudice to the other functions attributed by law, Article 32 of the Regulations of the Board of Directors states that at least the following functions must be performed by the ACC. In particular, the ACC is tasked with the following functions, among others, regarding the ICFR organisational model:

- Submitting to the Board for approval a report on the risk management and control policy identifying at least: (i) types of financial and non-financial risks faced by the Company, including financial and economic risks, contingent liabilities and other risks not appearing on balance sheets; (ii) a risk management and control model based on different levels, which will include a specialised risk committee whenever sectoral rules provide for it or when the Company deems it appropriate; (iii) the risk level that the Company considers acceptable; (iv) the measures planned to mitigate the impact of identified risks, should they materialise; and (v) the information and internal control systems to be used to control and manage the above-mentioned risks, including contingent liabilities and off-balance sheet risks.
- Supervising the process of preparing and presenting the required financial information and presenting recommendations or proposals to the Board of Directors, aimed at protecting its integrity.
- In relation to the information and internal control systems: (i) supervising the preparation process and integrity of the Company's financial information and, where applicable, of the Group's, reviewing compliance with the regulatory requirements, the proper delimitation of its scope of consolidation and the correct application of accounting principles; (ii) ensuring the independence and effectiveness of the Internal Audit Unit, proposing the election, appointment, re-election and removal of the Head of Internal Audit, as well as proposing the budget for this unit, approving both its orientation and its operating plans, ensuring that its activities are focused mainly on the risks that are relevant to the Company, receiving regular information on activities and verifying that senior management takes account of the conclusions and recommendations of its reports; and (iii) generally ensuring that the internal control systems and policies in place are effectively applied in practice. In addition, the ACC may establish and oversee a mechanism to report any potentially significant irregularities regarding finance, accounting or any other areas related to the Company that may come to its attention within the Company or the Group. Said mechanism must ensure confidentiality and, in any case, provide for cases in which the reporting can be made anonymously, respecting the rights of the whistleblower and the reported party.
- Serving as a channel of communication between the Board of Directors and the Company's external auditor, assessing the results of each audit; and regularly collecting information from the accounts auditor on the audit plan and its execution.

- Reporting, in advance, to the Board of Directors on all matters provided for in the Law, the Company Bylaws and the Regulations and, in particular, on the financial information that the Company must make public periodically.

Minutes shall be taken of all Committee meetings and made available to all board members.

Lastly, the Internal Audit Unit is responsible for drawing up the annual Internal Audit Plan and submitting it to the ACC. The plan includes all the evidence required to prove compliance with the manuals, procedures and policies related to the ICFR. The internal auditor shall carry out these tests and report on the conclusions to the ACC, including any internal control weaknesses identified, recommendations for improvement and the general conclusions of the annual audit plan which specifically includes, among others, those related to the ICFR system.

F.1.2 Whether the following exist, especially in connection with the financial reporting process:

- Departments and/or mechanisms tasked with: (i) devising and reviewing the organisational structure; (ii) clearly defining the boundaries of responsibility and authority, with proper distribution of tasks and functions; and (iii) ensuring that sufficient procedures are in place to spread awareness of this throughout the company.

Responsibility for developing Colonial's ICFR organisational model lies with the Internal Audit Unit and the Financial Department, as they are the two departments most involved in drawing up and subsequently supervising the financial information to be reported.

Nevertheless, all Departments involved to a lesser or greater extent in preparing the financial information must also take responsibility for correctly carrying out the tasks, processes and controls they are involved in.

The organisational model of Colonial's ICFR system is structured as follows:

- a) Establishment of a general environment of appropriate control, setting out the main standards for the operation of the ICFR and senior-level roles and responsibilities.
- b) Identification of major risk events, which may materially affect financial information if they were to materialise.
- c) For risks identified in the relevant processes, specific mitigating controls are implemented to reduce these risks to acceptable levels. The operational Departments concerned are responsible for adequately implementing these procedures.
- d) The Financial Department is responsible for maintaining documentation on Colonial's accounting policies and manuals and keeping it up to date as well as preserving an environment that ensures general controls over the IT systems.
- e) Lastly, the Internal Audit Unit and the ACC are responsible for overseeing the ICFR system to ensure its operational effectiveness.

- Code of conduct, approving body, dissemination and instruction, principles and values covered (stating whether it makes specific reference to record-keeping and financial reporting), body in charge of investigating breaches and proposing corrective or disciplinary action.

The Company's Board of Directors approved Colonial's Code of Ethics on 28 September 2011. This Code of Ethics reiterates Colonial's commitment to the principles of corporate ethics and transparency, and establishes a series of basic principles to which all Colonial personnel, partners and suppliers must adhere at all times, as their behaviour may affect Colonial's reputation.

Specifically, as regards financial information, Article 6.5 of the Code establishes the following:

"Colonial undertakes, as a guiding principle for its corporate behaviour with shareholders, investors, analysts and the market in general, to disclose true and complete information providing a true and fair view of the Company and the Group, its corporate activities and its business strategies.

This information shall always be disclosed in accordance with regulations and within the timeframes established by prevailing legislation. Corporate action and the strategic decisions of Colonial are focused on creating value for its shareholders, transparency in its management, the adoption of best corporate governance practices at its companies and strict compliance with prevailing regulations in this matter."

The internal and external dissemination of the Code of Ethics is the responsibility of Colonial's Regulatory Compliance Unit, which reports to the ACC. This dissemination has been carried out in compliance with the applicable regulations, ensuring receipt and knowledge by each and every Colonial employee.

The Regulatory Compliance Unit is responsible for compiling any irregularities or breaches of the Code of Ethics and informing the Human Resources department so that it may take the necessary disciplinary action based on the fines and sanctions set forth in the collective bargaining agreement or applicable employment legislation.

The ACC is responsible for assessing the degree of compliance with the Code of Ethics and preparing an annual report based on its findings.

The Board of Directors is responsible for reviewing and updating the Code of Ethics based on the report drawn up by the ACC.

- Whistleblowing channel to report any financial and accounting irregularities to the audit committee, in addition to any breaches of the code of conduct and irregular activities within the organisation, informing, where appropriate, whether it is confidential and whether it allows for anonymous communications while respecting the rights of the whistleblower and the reported party.

Under Article 32 of Colonial's Board Regulations, the ACC is responsible, inter alia, for:

"Regarding the information and internal control systems: ... (iv) establishing and overseeing a mechanism to report any potentially significant irregularities regarding finance, accounting or any other areas related to the Company that may come to its attention within the Company or the Group. Said mechanism must ensure confidentiality and, in any case, provide for cases in which the reporting can be made anonymously, respecting the rights of the whistleblower and the reported party."

The purpose of this Channel, which is available on the corporate website, is to facilitate the reporting of possible cases of irregular conduct that may constitute a criminal offence or a serious or very serious administrative infringement including, among others, conduct relating to the prevention of money laundering or the financing of terrorism, accounting irregularities and any conduct that infringe the Code of Ethics or the current legislation.

Communications received through the Whistleblowing Channel shall be subject to the principles and guarantees set forth in the Colonial Group's General Whistleblowing Channel Policy, guaranteeing the security and confidentiality of communications.

As noted in the preceding point, the Regulatory Compliance Division, which reports to the ACC, is responsible for managing any irregularities or breaches of the regulations, and specifically, of Colonial's Code of Ethics. The Regulatory Compliance Unit has been designated by the Board of Directors as the body with responsibility for managing the Whistleblowing Channel, which is reviewed on a recurring basis to ensure its confidentiality and compliance with applicable regulations.

- Training programmes and regular refresher courses for personnel involved in the preparation and review of financial information and the assessment of ICFR, covering at least accounting standards, auditing, internal risk management and control.

Colonial has a training plan covering all business areas according to their specific needs. However, the functional business areas themselves, under the coordination and supervision of the Human Resources Department, are responsible for devising and proposing specific training plans for their areas.

For staff involved in preparing and reviewing financial information, training is structured around attending events concerning regulatory updates of financial, accounting and tax regulations, as well as receiving, distributing and analysing documentation from external advisors regarding regulatory developments.

The Regulatory Compliance Unit provides regular training on the prevention of criminal risks in order to keep the Company's personnel up to date with the prevention systems in this area. In addition, the Regulatory Compliance Unit, together with the functional areas, is responsible for identifying and distributing regulatory developments that affect Colonial, so that these can be analysed and implemented.

In the event of any regulatory changes of special relevance to Colonial's financial, accounting or tax departments, the Operations-Finance Department proposes the need for specific training to address these changes.

Furthermore, members of the Internal Audit Unit attended externally organised thematic courses and forums on the evaluation of certain internal risk management and control aspects.

F.2 Assessment of risks in relation to financial information

Report, at least, on:

- ### F.2.1 The main characteristics of the process for identification of risks, including the risk of error or fraud, as follows:

- Whether the process exists and is documented.

Colonial has a Risk Management and Control System (RMCS), as indicated in section E.1 of this report.

The ACC is in charge of monitoring and controlling risks as delegated by the Company's Board of Directors. To this end, the managers of the various operating units cooperate in identifying and correcting risks by applying the RMCS, as indicated in sections F.1.1 and F.1.2 of this report.

Colonial's ICFR Organisational and Monitoring Model, as well as its ICFR Internal Risk Management and Control Manual, which aim to ensure the preparation and issuance of reliable financial information, are aligned with and form part of Colonial's general risk policy, the RMCS, which have been approved by the ACC.

- Whether the process covers all financial reporting objectives (existence and occurrence, completeness, measurement, presentation, disclosure and comparability, and rights and obligations), whether it is updated and how often.

The ICFR Internal Risk Management and Control Manual provides for the following seven types of risk:

1) Integrity: Transactions, events, assets, liabilities or equity interests that are "not" identified and, consequently, are "not" included in the Company's accounting records. Data entries "not" captured in the ledgers or rejected data entries. Disclosures "not" identified and, consequently, "not" included in the notes to the financial statements or deliberately omitted.

2) Existence: Transactions "not" authorised that are entered into the company's accounting software. Duplicated transactions. Erroneous adjustments in ledgers.

3) Disclosures and comparability: Disclosures "not" identified and, consequently, "not" included in the notes to the financial statements or deliberately omitted. Transactions that have not been recorded consistently over time.

4) Rights and obligations: Incorrect determination of the ability to control the rights arising from an asset or a contract/agreement. Correct determination of the obligations arising from a liability or a contract/agreement.

5) Measurement: Incorrect determination of the value of an asset, liability, income or expense, and which could generate the recording of adjustments in the determination of market values, amortised values, value in use or due to a depreciation error, as well as adjustments made and not properly justified.

6) Classification: incorrect presentation of economic transactions in the financial statements (assets vs. liabilities, income vs. expenses, current vs. non-current, etc.).

7) Transaction cutoff date: incorrect recording of transactions in the accounting period.

The Internal Risk Management and Control Manual for Colonial's ICFR is periodically jointly reviewed and updated by the Internal Audit Unit and the Finance Department at the proposal of either of these and taking into account the suggestions and proposals of the Internal Audit Unit arising from its reviews. The ACC must approve any revision or amendments to the Manual, and the Internal Audit Unit and the Finance Department must be notified and must review them in advance.

- The existence of a process to identify the scope of the consolidated group, considering aspects such as the possibility of complex corporate structures or special-purpose vehicles.

Colonial's Board Regulations and, specifically the section regarding the responsibilities of the ACC, stipulate that the responsibilities of the Committee include, among others:

"In relation to the information and internal control systems: (i) to supervise the preparation process and completeness of the Company's and, where applicable, the Group's, financial and non-financial information, reviewing compliance with regulatory requirements, the scope of consolidation of the group and the correct application of accounting criteria ...".

In this regard, Colonial has a consolidation process that stipulates, as a basic procedure, the determination of the Group's scope of consolidation at the end of every reporting period.

This procedure is carried out by the Accounting and Tax Department, which reports to the Financial Department, and the ACC is informed of any changes made to the scope of consolidation.

- Whether the process takes account of other types of risks (operational, technology, financial, legal, tax, reputational, environmental risk etc.), which may affect the financial statements.

As described in the first item of this section F.2.1, the basic function of the ACC, as delegated by the Company's Board of Directors, is to monitor and control risks, supported by the work done by the executives of each operating unit, which help

identify and correct them.

Colonial's ICFR Organisation and Supervision Model, as well as its Internal Risk Management and Control Manual, are aligned with and form part of Colonial's general risk policy (see section E of this report), and have been approved by the ACC.

In the process of identifying risks involving financial information within the ICFR system, all the areas of risk identified in Colonial's risk map have been considered.

- Which of the entity's governing bodies supervises the process.

Colonial's Board Regulations and, specifically the section regarding the responsibilities of the ACC, stipulate that the responsibilities of the Committee include, among others:

"To directly supervise how the internal internal risk management and control functions are performed by one of the Company's officers or internal departments that has been expressly assigned the following functions: (i) to ensure the proper functioning of the risk management and control systems and, in particular, that all the important risks that affect the Company are adequately identified, managed and quantified; (ii) to actively participate in the development of a risk strategy and to take part in the important decisions concerning risk management; and (iii) to ensure that the risk management and control systems in place adequately mitigate the risks within the framework of the policy defined by the Board of Directors."

In this regard, the ACC is responsible for approving Colonial's ICFR Internal Risk Management and Control Manual.

As indicated in sections F.1.1 and F.1.2 of this report, the Internal Audit Unit is responsible for overseeing the ICFR system in order to ensure its operational effectiveness. The Head of Auditing shall carry out the internal auditing tests and report on its conclusions to the ACC, including any internal control weaknesses identified, recommendations for improvement and the general conclusions of the annual audit plan, specifically including, among others, those related to the ICFR system.

F.3 Control activities

Provide information, indicating salient features, if available, on at least the following:

- F.3.1** Procedures to review and authorise financial information and the ICFR system description to be published on the securities markets, stating those responsible, as well as documentation describing the flow of activities and controls (including those relating to fraud risk) for the different kinds of transactions that may have a material impact on the financial statements, including the procedure for the accounting closure and the specific review of relevant judgments, estimates, measurements and projections.

In relation to procedures for reviewing and authorising the financial information and description of ICFR to be disclosed in the securities markets, as mentioned above, the ACC is responsible for supervising the preparation and disclosure to the market of reliable financial information. In this regard, the Committee approved a Manual for Disclosure of Statutory Information that regulates the procedure for preparing and approving this information.

Furthermore, Colonial's ICFR Internal Risk Management and Control Manual establishes the criteria for identifying the relevant public financial information as follows:

- a) Periodic Public Information (PPI):
 - 1) Quarterly Financial Report.
 - 2) Half-yearly Financial Report.
 - 3) Annual Financial Report and Annual Corporate Governance Report (ACGR).
- b) Annual Report on the Remuneration of Directors (IAR).
- c) Registration document
- d) Other relevant information.

Each set of relevant regulated financial information to be published to the market is governed by a preparation and review procedure involving the Operations and Finance Department, the Corporate Development and Management Control Department, both of which report to the General Corporate Department, the Legal Department and, depending on the type of information, the CEO, the Board of Directors and even the General Meeting of Shareholders itself.

In terms of the documentation describing activity flows and controls (including those relating to the risk of fraud) of the various types of transaction that may materially affect the financial statements, Colonial has an ICFR Organisational and Monitoring Model approved by the ACC that structures the specific mechanisms provided to keep an internal control that fosters full, reliable and relevant financial information and predicts the likelihood of irregularities and the ways to detect and repair them.

The Organisational Model of Colonial's ICFR system is based on two distinct areas:

- a) The general control environment, where the main guidelines of operation of the ICFR and high-level roles and responsibilities are developed.
- b) Specific ICFR controls, where the operating procedures relating to the preparation of financial information are developed.

In addition, Colonial has an ICFR Internal Risk Management and Control Manual that sets out the specific controls established with regard to the risks relating to financial information and formal documentation, whereas the Organisational Model contains high-level methods and controls.

Once the relevant financial information has been determined, the cycles and business processes are identified, which, in both preparation and issue, may have a material impact on the information. Once the processes have been identified, the relevant functional areas and the Internal Audit Unit identify the risks entailed in the processes and the corresponding controls. These processes, risks and controls are formally documented so they can be correctly carried out and monitored.

The Company ensures that the identified risks are consistent with the corporate risk model.

The scope of the processes selected ensures that compliance with them results in complete and reliable financial information.

The Financial Department and the Internal Audit Unit are jointly responsible for the identification of the relevant ICFR processes, risks and control, which is then approved by the ACC. In this process, the Company has specifically considered the potential risk of fraud and has control activities in place to prevent this risk.

The key processes identified at Colonial relating to the ICFR system are:

- a) Closing of accounts, including the process of judgements, estimates, measurements and projections.
- b) Consolidation and reporting of subsidiaries.
- c) Revenue recognition.
- d) Asset valuation (determination of the fair value of investment property).
- e) Cash, debt and derivatives.
- f) Taxes and levies.
- g) Reporting systems, including the collection and preparation mechanisms for supporting the financial information to be issued.
- h) Investments and asset acquisitions.
- i) Purchases of goods and services.
- j) Human resources.

All key processes are documented and updated annually to include any potential changes. The key processes at Colonial that have a significant influence on the preparation of financial information are documented through the following:

- a) Flow charts of the processes' activities.
- b) Descriptions of the processes, risks and controls in place.
- c) Risk and control matrices.

The ICFR Internal Risk Management and Control Manual is an internal regulation that is mandatory. It is, therefore, essential that all functions/departments involved monitor all the procedures established and the controls in place to ensure the reliability of Colonial's financial information. The most senior-ranking employee in each of the departments involved in the procedures documented in the internal control model is responsible for ensuring that the processes and controls are correctly applied and documented for each accounting period.

For this purpose, Colonial has software to monitor the responses to the controls defined for the key processes in each accounting period. The Internal Audit Unit monitors and oversees compliance with these controls.

Any transactions with a substantial weight of critical judgements, estimates, measurements and projections are specifically monitored, as is the case with real estate asset valuations.

F.3.2 Internal control policies and procedures for the IT systems (including access security, tracking of changes, system operation, continuity and separation of duties) that support the key Company processes involved in the preparation and publication of financial information.

The Systems function is in charge of Colonial's corporate computer systems. This department reports to the Financial Department, which, in turn, reports to the General-Corporate Department.

At present, the operation and maintenance of Colonial's corporate information systems that support its financial reporting are outsourced. As a result, Colonial's Head of Systems manages the key aspects related to the physical security, continuity and operation of the systems with the external supplier.

Furthermore, the head of IT systems at Colonial is responsible for establishing the IT internal control model regarding secure access, segregation of duties (in coordination with the operating business and support areas) and control of changes, as well as carrying out risk monitoring and control activities arising from the outsourcing of the IT systems.

All Spanish Colonial Group companies operate under one transactional system, SAP. In 2023, the information systems of the subsidiary SFL and its French subsidiaries were not integrated with Colonial, and information was, therefore, exchanged by importing data in files.

Colonial's IT internal control model includes, among others, the following key processes:

- a) Security of equipment and data processing centres (in coordination with the external provider).
- b) Logical security of the applications (in coordination with the external supplier).
- c) Monitoring of Service Level Agreements (SLAs) and Service Level Objectives (SLOs) with external suppliers.
- d) Project management, rollouts, developments and upgrades of current systems.
- e) Management of operations.
- f) Management of infrastructure and communications.
- g) Management of back-up and recovery systems (in coordination with the external supplier).
- h) Management of users, profiles and accesses.
- i) Management of the audits of the IT systems.

F.3.3 Internal control policies and procedures designed to supervise the management of third party subcontracted activities, in addition to any evaluation, calculation or appraisal tasks entrusted to independent experts that may have a material impact on the financial statements.

As described in section F.3.1, Colonial has identified the key processes that may materially affect its financial information. Among the criteria used to identify these processes, the Company has considered criteria for activities with a high level of third-party involvement and also, those that are fully outsourced.

In this regard, the relevant processes involving significant third-party participation are as follows:

- a) Valuation of real estate assets: determination of fair value.
- b) Financial hedging instruments: effectiveness tests and obtainment of the fair value.
- c) IT systems: maintenance and operation.

All processes with substantial third-party involvement have been documented, identifying the risks and controls implemented. The functional areas involved in the various processes are responsible for monitoring them and for implementing the appropriate controls.

F.4 Information and reporting

Provide information, indicating salient features, if available, on at least the following:

- F.4.1** A specific function in charge of defining and maintaining accounting policies (accounting policies area or department) and settling doubts or disputes over their interpretation, which is in regular communication with the team in charge of operations, and a manual of accounting policies regularly updated and communicated to all the Company's operating units.

Colonial's ICFR Organisational and Monitoring Model, which has been approved by the ACC, stipulates that the Financial Department is responsible for maintaining documentary records of Colonial's accounting policies, which entails resolving queries or settling disputes over their application.

Colonial has a Group Accounting Policies Manual, which has been approved by the ACC, and which must be adhered to by all Group companies. The Financial Department is responsible for preparing and maintaining this manual.

F.4.2 Mechanisms to collect and prepare the financial information with consistent formats, to be implemented and used by all units in the Company or group, supporting the main financial statements and the notes, in addition to any information provided on the ICFR.

Colonial has ensured greater control and security in the process of gathering and preparing financial information by implementing a computer tool to facilitate the financial consolidation and financial and operating budget planning of the Group.

The Group Accounting Policies Manual establishes a chart of accounts and templates of financial statements that all Group companies must follow. These are set up in the tool, thereby guaranteeing the uniformity of the financial information.

The preparation of statutory financial information, as well as the individual financial statements of Colonial's national companies, is coordinated centrally by Colonial's Finance Department and Corporate Development and Management Control Department, thereby guaranteeing uniformity.

A significant portion of the details required to prepare this financial information is obtained directly from the IT tool, since it has been customised to do so. For those cases where certain information must be prepared without this tool, Colonial has control mechanisms in place to ensure its completeness and reliability, as well as a physical archive of the information in an internal repository with access limited to the staff involved in preparing the financial information.

In addition, Colonial uses an IT tool called "Archer" to monitor the information specific to ICFR management relating to compliance with the controls established for the key procedures defined by the Company for the ICFR systems. The Internal Audit Unit monitors and oversees the operation of this tool.

F.5 **Supervision of system operation**

Provide information, stating the main features, on at least:

F.5.1 ICFR supervisory activities conducted by the Audit Committee, as well as whether the Company has an internal audit department whose competences include supporting the committee in its oversight of the internal control system, including ICFR. State also the scope of the ICFR assessment during the year and the procedure used by the person in charge to report the results, whether the Company has an action plan specifying corrective measures for any flaws detected, and whether it has taken stock of their potential impact on its financial information.

The main activities carried out by the ACC in relation to the ICFR system in 2023 consisted of approving the Internal Audit Plan for 2023, which includes monitoring ICFR and being apprised of its degree of implementation, compliance and effectiveness.

In order to learn about the internal control weaknesses detected in the performance of the external auditors' work, as well as relevant aspects or incidents, the ACC has held meetings with the Company's external auditors.

Lastly, the ACC has performed the following main activities relating to the financial information:

- Review of the public financial information.
- Analysis of the consistency of the accounting policies used, as well as an analysis of the observations and recommendations received from the external auditors.
- Review of the management report.
- Review of the information contained in the half-yearly financial statements concerning related-party transactions.
- Monitoring the effectiveness of relevant processes, risks and controls related to internal control systems and IFRS.

Regarding the Internal Audit Unit, Colonial's Regulations of the Board of Directors state, in the section on the responsibilities of the ACC, that the responsibilities of the Committee include, among others:

"Regarding the information and internal control systems: [...] (iii) monitor the independence and efficacy of the internal audit function, proposing the selection, appointment, and removal of the head of internal audit, in addition to proposing the department's budget; [...]; receiving regular reports on its activities, and verifying that senior management is acting on the findings and recommendations of its reports".

In July 2009, the ACC approved the regulations on Colonial's Internal Audit Unit. The main responsibilities of this function include periodically verifying the degree of application of the approved policies and procedures that comprise the internal control system, offering suggestions for improvement.

In addition, the ACC has already approved the Internal Audit Plan for 2024, which includes the necessary actions for

overseeing and assessing the internal control procedures and the performance of one-off tasks to verify the operational effectiveness of Colonial's ICFR, with regular reporting of any issues detected and necessary improvement actions and their potential impact on financial information, after checking with the audited areas.

F.5.2 Whether the Company has a discussion procedure whereby the accounts auditor (in accordance with what is set forth in the NTAs), the Internal Audit staff and other experts are able to inform senior management and the Audit Committee or Company directors of any significant weaknesses in internal control identified during the processes of review of annual financial statements or any others entrusted to them. State also whether the entity has an action plan to correct or mitigate the weaknesses found.

Under Article 8 of the Regulations of the Board of Directors ("*Relations with the auditor*"), the Board of Directors and the external auditor shall communicate with each other through the ACC.

In this regard, Article 32 of the Board Regulations governs the functioning of the ACC and, inter alia, establishes the following functions:

- Serve as a channel of communication between the Board of Directors and the Company's external auditor, assessing the results of each audit, and in this connection also with the function of regularly collecting information from the auditor on the audit plan and how it is to be carried out.
- Establish the necessary relations with the external auditor in order to receive information on any matters that might jeopardise the auditors' independence, for examination by the Committee, any other matters related to the financial audit process and, when appropriate, to authorise non-prohibited services on the terms provided in current legislation relating to independence and to communicate with the auditors as provided for in the financial audit legislation and auditing standards.
- Oversee the effectiveness of the Company's internal control, the internal audit and the risk management systems, including those for taxation, and discussed with the accounts auditor any significant weaknesses detected in the internal control system during the audit.

All these monitoring activities of the Board of Directors and the ACC are conducted throughout the year and included in the agenda of the various sessions based on the schedule established for each year.

F.6 Other relevant information

No additional issues to disclose have been identified.

F.7 External auditor report

Report by:

F.7.1 If the ICFR information supplied to the market has been reviewed by the external auditor, the corresponding report should be attached. If this is not the case, it should explain why.

The ICFR information provided to the markets has not been specifically reviewed by the external auditor. However, the ACC and the Internal Audit Unit perform the ICFR monitoring activities, which they supplement with the external auditor's contributions regarding the identification of any internal control weaknesses identified in the course of their external financial audit. The external auditor has not made any significant recommendations regarding internal control in the audit of the financial statements for 2023.

G. EXTENT TO WHICH THE CORPORATE GOVERNANCE RECOMMENDATIONS ARE FOLLOWED

Please indicate the extent to which the company has followed the recommendations of the Code of Good Governance of Listed Companies.

Should the Company not comply with any of the recommendations or comply only in part, include a detailed explanation of the reasons so that shareholders, investors and the market in general have enough information to assess the Company's behaviour. General explanations are not acceptable.

1. **The Bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the Company by acquiring shares on the market.**

Compliant

Explain

2. **When the listed company is controlled, as described in Art. 42 of the Spanish Commercial Code, by another company, whether listed or not, and has, directly or through its subsidiaries, business relations with such entity or one of its subsidiaries (other than the listed company) or carries out activities related to one of them, the listed company must accurately and publicly report the following:**

a) **The respective business areas and possible business relations between the listed company or its subsidiaries and the parent company or its subsidiaries.**

b) **The mechanisms in place to solve any conflict of interests that may arise.**

Compliant

Partially compliant

Explain

Not applicable

3. **During the ordinary general meeting, the Chairman of the Board should verbally inform shareholders in sufficient detail of the most relevant aspects of the Company's corporate governance, supplementing the written information circulated in the annual corporate governance report and, in particular:**

a) **Of the changes that have occurred since the last ordinary general meeting.**

b) **Of the specific reasons why the company is not following certain recommendations of the Code of Corporate Governance and, if any, the alternative rules applied to this matter.**

Compliant

Partially compliant

Explain

4. **The company should draw up and implement a policy of reporting to and contact with shareholders, institutional investors within the framework of their involvement in the company, and with proxy solicitors that complies in full with regulations against market abuse and accords equitable treatment to shareholders in the same position. And that the Company should make this policy public via its website, including information on the way it has been put in practice and identifying the interlocutors or persons responsible for carrying this out.**

And notwithstanding the legal obligations on sharing insider information and other types of regulated information, the company should also have a general policy regarding the reporting of economic-financial, non-financial and corporate information through the channels it deems appropriate (media, social networks or other channels) that contributes to maximising the disclosure and quality of the information available to the market, investors and other stakeholders.

Compliant

Partially compliant

Explain

5. **That the Board of Directors does not submit to the general meeting a proposal of delegation of powers to issue shares or convertible securities excluding the right to preferential purchase, for an amount above 20% of the share capital at the time of delegation.**

And that, when the Board of Directors approves any issue of shares or convertible securities excluding pre-emptive rights, the Company should immediately publish the reports on such exclusion on its website as provided in commercial law.

Compliant

Partially compliant

Explain

6. The listed companies which produce the reports listed below, either in mandatory or voluntary form, publish them on their website well in time before the ordinary general meeting is held, although their dissemination is not

- a) Report on the external auditor's independence.
- b) Reports of proceedings of the audit committees and the appointments and remuneration committee.
- c) Audit committee report on related-party transactions.

Compliant Partially compliant Explain

7. The Company broadcasts live, via its website, the holding of general meetings of shareholders.

The company should also have mechanisms in place that enable voting directly or by proxy through electronic means and, in the case of large-capitalisation companies, that enable them to attend and actively participate in the General Meeting, insofar as is proportionate.

Compliant Partially compliant Explain

8. The Audit Committee should strive to ensure that the Board of Directors can present the company's annual financial statements to the General Meeting of Shareholders in compliance with accounting standards. In those cases where the auditor has included qualifications in the audit report, the chairperson of the Audit Committee should give a clear account of the opinion of the Audit Committee on their scope and content at the General Meeting. A summary of this opinion should be made available to shareholders when calling the meeting, along with the other Board proposals and reports.

Compliant Partially compliant Explain

9. The Company should make public on its website, permanently, the requirements and procedures it will accept to prove ownership of shares, the right to attend the general meeting of shareholders and the exercise or delegation of voting rights.

And such requirements and procedures facilitate the shareholders' attendance and the exercise of their rights and are applied in a non-discriminatory manner.

Compliant Partially compliant Explain

10. Where any legitimate shareholder has exercised, prior to the holding of the general meeting of shareholders, the right to complete the agenda or to submit new resolution proposals, the Company:

- a) Immediately disseminates such additional items and new resolution proposals.
- b) Makes public the attendance card model, or the proxy or remote voting form with the required changes so that the new items on the agenda and alternative resolution proposals can be voted on, on the terms proposed by the Board of Directors.
- c) Submits all these items or alternative proposals to vote and the same voting rules are applied to them as those made by the Board of Directors, including, in particular, presumptions or inferences about the direction of the vote.
- d) Announces, after the general meeting of shareholders, the breakdown of the vote on such additional points or alternative proposals.

Compliant Partially compliant Explain Not applicable

11. In the event that the Company plans to pay premiums to attend the general meeting of shareholders, it will previously establish a general policy on such premiums and this policy is stable.

Compliant Partially compliant Explain Not applicable

12. The Board of Directors shall perform its duties with unity of purpose and independent judgment and it shall treat all shareholders who are in the same position equally and guide itself by the Company's

interests which are understood as achieving a profitable and sustainable long-term business, to promote the Company's continuity and maximize its economic value.

In pursuing the Company's interests, in addition to complying with laws and regulations and acting in good faith, ethically and respecting the commonly accepted uses and good practices, the Board of Directors shall endeavour to reconcile the Company's interests with, where applicable, the legitimate interests of its employees, its suppliers, its customers and those of other stakeholders that may be affected, as well as the impact of the Company's activities on the community as a whole and in the environment.

Compliant Partially compliant Explain

13. The Board of Directors has enough members in order to implement efficient and participative proceedings, which makes it advisable that the Board should have from five to fifteen members.

Compliant Explain

14. The Board of Directors should approve a policy seeking to promote a suitable composition of the Board of Directors, which should:

- a) Be specific and verifiable;
- b) Ensure that proposals for the appointment or reelection are based on a preliminary analysis of the skills required by the Board of Directors; and
- c) Promote knowledge, experience, age and gender diversity. In this sense, measures that encourage a large number of female senior officers in the company will be considered to be measures that promote gender diversity.

The results of the prior analysis of the skills required by the Board of Directors should be written up in the Appointments Committee's explanatory report, to be published when calling a General Meeting of Shareholders where each director is to be ratified, appointed or re-elected.

The Appointments Committee will verify compliance with this policy on an annual basis and report its findings in the Annual Corporate Governance Report.

Compliant Partially compliant Explain

15. The proprietary Directors and independent Directors constitute a significant majority of the Board of Directors and the number of executive Directors is kept to the minimum necessary, having regard to the complexity of the corporate group and the percentage shareholding of the executive Directors in the Company's share capital.

And the number of female directors should represent at least 40% of the members of the Board of Directors by the end of 2022 and onwards, and should not be below 30% before that date.

Compliant Partially compliant Explain

Explanation: The proprietary and independent Directors form a large majority of the Board of Directors (11 out of 13 directors), and the number of executive Directors is the minimum required (1 out of 13). The number of female directors, on the other hand, accounts for 38.46% of the Board, which is very close to the percentage set forth in the good governance recommendation. However, in 2024, the Company intends to increase the number of female directors to 40%.

16. The percentage of proprietary Directors over the total of non-executive Directors is not higher than the proportion between the capital represented by such directors and the remainder of the Company's share capital.

This criterion may be reduced:

- a) In large-cap companies where few shareholdings are legally considered significant.
- b) In companies where there is a diversity of shareholders represented on the Board of Directors

and there are no links between them.

Compliant

Explain

17. The number of independent Directors represents at least half of all directors.

However, where the Company is not a large-cap or where, if it is, it has a shareholder or several acting together, who control more than 30% of the share capital, the number of independent Directors should represent at least one third of all directors.

Compliant

Explain

EXPLANATION: The Company has five independent Directors out of a total of 13, one less than the number of proprietary Directors and four more than the number of executive Directors. Thus, although the percentage of independent Directors does not reach the 50% set forth in the recommendation, it is estimated in view of the Company's current shareholder structure that the representation of this type of directors is adequate and, therefore, that all interests are properly represented in the management body.

18. Companies should post the following director particulars on their websites, and keep them permanently updated:

- a) Professional and biographical profile.
- b) Other boards of directors on which they sit, whether or not these belong to listed companies, as well as other remunerated activities in which they may be involved.
- c) The category to which the director belongs, where applicable, stating, in the case of proprietary Directors, the shareholder they represent or to whom they have links.
- d) Date when they were first appointed as a director of the company, as well as the dates of any subsequent reappointments.
- e) Their holdings of company shares and their stock options.

Compliant

Partially compliant

Explain

19. The Annual Corporate Governance Report, with prior verification by the Appointments Committee, explains the reasons for the appointment of proprietary Directors at the request of shareholders whose shareholding is less than 3% of the share capital; and reasons are given why formal requests for a seat on the board from shareholders with a stake equal to or greater than that of others, at whose request proprietary Directors were appointed, have not been respected.

Compliant

Partially compliant

Explain

Not applicable

20. Proprietary Directors tender their resignation when the shareholders they represent sell their entire shareholding. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary Directors, the latter's number should be reduced accordingly.

Compliant

Partially compliant

Explain

Not applicable

21. The Board of Directors shall not propose the removal of any independent Director before the statutory period for which they were appointed, except where just cause is found by the Board of Directors following a report from the Appointments Committee. It shall be understood that there is just cause when the director takes up a new post or takes on new duties that prevent him/her from devoting the necessary time to the performance of the duties associated with the directorship, when the director fails to carry out the duties inherent to his/her post or when the director is involved in circumstances which cause him/her to lose his/her independent status in accordance with the provisions of the legislation applicable.

The removal of independent Directors from office may also be proposed as a result of public buy-outs, mergers or other similar enterprise-level transactions implying a change in the structure of the Company's capital, where such changes in the Board are due to the proportionality criterion in Recommendation 16.

Compliant Explain

22. Companies establish rules obliging directors to disclose information and, where appropriate, tender their resignation in cases where it is alleged they could harm the company's name and reputation and, in particular, oblige them to inform the Board of Directors of any criminal charges brought against them, as well as any subsequent legal proceedings.

When the Board has been informed of or otherwise been made aware of any of the situations mentioned in the preceding paragraph, it should study the case as soon as possible and, in light of the particular circumstances, decide, based on a report by the Appointments and Remuneration Committee, whether or not to take any action such as opening an internal enquiry, calling on the director to resign or proposing his or her termination. A reasoned account of all this should be given in the Annual Corporate Governance Report, unless there are special circumstances that justify otherwise and which shall be recorded in the minutes. This is without prejudice to the information to be disclosed by the company, where appropriate, when the relevant measures are adopted.

Compliant Partially compliant Explain

23. All directors clearly express their opposition when they consider that a proposal submitted to the Board for Directors for decision could be contrary to the Company's interests. Moreover, independent and other directors in particular, who are not affected by potential conflict of interest, do the same in the case of decisions that could be detrimental to shareholders not directly represented on the Board of Directors.

And when the Board of Directors adopts significant or repeated decisions on matters with regard to which the director has expressed serious reservations and subsequently opts to resign, the ensuing conclusions drawn and reasons for the resignation are explained in the letter referred to in the following

This recommendation also extends to the secretary to the Board of Directors, even if they are not a director.

Compliant Partially compliant Explain Not applicable

24. Directors who give up their place before their tenure expires, through resignation or as agreed by the General Meeting, should state their reasons, or in the case of non-executive Directors, their opinion on the Board's decision, in a letter to be sent to all members of the Board of Directors.

Without prejudice to the disclosure of all this in the Annual Corporate Governance Report, insofar as it is relevant for investors, the company should publish the resignation as soon as possible, including sufficient reference to the reasons or circumstances provided by the director.

Compliant Partially compliant Explain Not applicable

25. In addition, the Appointments and Remuneration Committee shall ensure that non-executive Directors have sufficient time to properly perform their duties.

And that the Board regulations sets the maximum number of boards of which the directors may form part.

Compliant Partially compliant Explain

26. The Board of Directors holds meetings as frequently as required in order to carry out its role effectively, at least eight times a year, following the programme and agenda established at the start of the financial year, with each director able to propose for inclusion alternative items not originally on the agenda.

Compliant Partially compliant Explain

27. Directors' absences should be limited to the bare minimum and quantified in the Annual Corporate Governance Report. And, when they must occur, instructions are given to proxies.

Compliant Partially compliant Explain

28. When the directors or the Company secretary express concerns about a particular proposal or, in the

case of the directors, about the Company's progress and such concerns are not resolved within the Board of Directors, this is recorded in the minutes at the request of whoever expressed such concerns.

Compliant Partially compliant Explain Not applicable

29. The Company shall establish suitable channels for directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the Company's expense.

Compliant Partially compliant Explain

30. In addition, regardless of the knowledge required of the Directors to perform their duties, the Company will also offer Directors refresher programmes when circumstances so warrant.

Compliant Explain Not applicable

31. The agenda of the sessions clearly indicates the points on which the Board of Directors will adopt a decision or agreement so that directors can study or seek, in advance, the information required for its adoption.

When exceptionally, for reasons of urgency, the Chairman wants to submit to the approval of the Board of Directors any decisions or agreements not included in the agenda, this will require the express prior consent of the majority of the directors present, which will be duly recorded in the minutes.

Compliant Partially compliant Explain

32. Directors should be regularly informed of the movements in shareholders and of the opinion that significant shareholders, investors and rating agencies have on the Company and its group.

Compliant Partially compliant Explain

33. The Chairman, as responsible for the effective proceedings of the Board of Directors, in addition to exercising the functions legally and statutorily assigned to him/her, prepares and submits to the Board of Directors a program of dates and issues to be addressed; organizes and coordinates the periodic evaluation of the board and, where appropriate, the chief executive officer of the Company; is responsible for the management of the board and the effectiveness of its operation; ensures that sufficient time is devoted to discussion on strategic issues, and arranges and reviews refresher programs for each director, when circumstances so require.

Compliant Partially compliant Explain

34. When there is a coordinating director, the Bylaws or regulations of the Board of Directors, in addition to the powers legally entitled, attribute him/her the following: chairing the Board of Directors in the absence of the Chairman and Vice-Chairmen, if any; echoing the concerns of non-executive Directors; maintaining contacts with investors and shareholders to ascertain their views in order to form an opinion about their concerns, particularly in relation to the corporate governance of the Company; and coordinate the Chair's plan of succession.

Compliant Partially compliant Explain Not applicable

35. The Secretary to the Board of Directors shall also ensure that the Board of Directors is aware of recommendations on good governance that apply to the Company and that are part of the Code of Good Governance for listed companies.

Compliant Explain

36. The complete Board of Directors will evaluate, once a year, and adopt, where applicable, an action plan to correct the deficiencies identified with respect to:

- a) The quality and efficiency of the Board of Director's performance.
- b) The operations and the composition of its committees.
- c) The diversity of Board membership and competences.

d) The performance of the Chairman of the Board of Directors and the Chief Executive Officer of the Company.

e) The performance and contribution of each Director, paying particular attention to those who are in charge of the various board committees.

The evaluation of the various committees will be based on the reports they submit to the Board of Directors, and for the latter, evaluation will be based on the one submitted by the Appointments Committee.

Every three years, the Board of Directors will be assisted to carry out the evaluation by an external consultant, whose independence will be verified by the Appointments Committee.

Business relationships that the consultant or any Company in its group have with the Company or any Company of its group should be detailed in the annual corporate governance report.

The process and the evaluated areas will be further described in the annual corporate governance report.

Compliant Partially compliant Explain

37. When an Executive Committee exists, there must be at least two members who are non-executive Directors, at least one of whom must be an independent Director. The secretary of the Board of Directors should also act as secretary to the Executive Committee.

Compliant Partially compliant Explain Not applicable

38. The Board of Directors is always aware of matters dealt with and decisions adopted by the Executive Committee and all the members of the board receive a copy of the minutes of the meetings of the Executive Committee.

Compliant Partially compliant Explain Not applicable

39. The members of the Audit Committee, and especially its chairperson, are appointed taking into account their expertise in the field of accounting, audit or financial and non-financial risk management.

Compliant Partially compliant Explain

40. To supervise the division that fulfils the internal audit duties to ensure the proper functioning of the information and internal control systems, which are functionally dependent on the non-executive Chairman of the Board or the Audit Committee.

Compliant Partially compliant Explain

41. The head of the unit handling the internal audit function should present an annual work programme to the Audit Committee for its approval by the Committee or by the Board, report directly to it on its implementation, including any incidents and limitations on its scope, the outcome and follow-up of its recommendations, and submit a report on its performance at the end of each year.

Compliant Partially compliant Explain Not applicable

42. In addition to those as legally established, the Audit Committee is responsible for the following:

1. With regard to information systems and internal control:

a) Supervise and assess the preparation and the integrity of the financial and non-financial information as well as the financial and non-financial risk management and control systems regarding the company and, where applicable, the group – including operational, technological, legal, social, environmental, political and reputational risks or those related to corruption – checking for compliance with legal provisions, the accurate demarcation of the consolidation perimeter, and the correct application of accounting principles.

b) Monitor the independence of the unit handling the internal audit; propose the selection, appointment and removal of the head of the internal audit service; propose the service's budget;

approve or propose to the Board the approval of the internal audit annual work plans, ensuring that its activity focuses primarily on the main risks the company is exposed to (including reputational risks); receive regular reports on its performance; and verify that senior management are acting on the findings and recommendations of its reports.

- c) Establish and supervise a whistleblowing mechanism whereby employees and anyone related to the company such as directors, shareholders, suppliers, contractors or subcontractors, can report any significant irregularities that they detect in their company or group, including financial or accounting irregularities. Said mechanism must ensure confidentiality and, in any case, provide for cases in which the reporting can be made anonymously, respecting the rights of the whistleblower and the reported party.
- d) Ensure that internal control policies and systems put in place are effectively implemented in practice.

2. With regard to the external auditor:

- a) Examine the circumstances behind the resignation of the external auditor, should this occur.
- b) Ensure that the remuneration for the external auditor for his or her work does not compromise his or her integrity or independence.
- c) Ensure that the Company notifies the change of auditor through the CNMV and said notification is accompanied by a statement citing any disagreements the Company may have had with the outgoing auditor and, if any, of their content.
- d) Ensure that the external auditor annually holds a meeting with the full Board of Directors to report on the work done and the evolution of the Company's accounting and risk situation.
- e) Ensure that the Company and the external auditor adhere to current regulations regarding the provision of non-audit services as well as the limits on the auditor's business concentration and, in general, the other rules on auditor independence.

Compliant Partially compliant Explain

43. The Audit Committee may summon any employee or officer of the Company; this includes appearances without the presence of any other executive.

Compliant Partially compliant Explain

44. The Audit Committee is informed about the operations of structural and corporate changes that the Company plans to carry out, for analysis and preliminary report to the Board of Directors on their economic conditions and their accounting impact, and especially, if any, on the proposed swap equation.

Compliant Partially compliant Explain Not applicable

45. The risk management and control policy should at least specify or determine:

- a) The different types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks, including those related to corruption) that the Company faces, including financial and economic risks, contingent liabilities and other risks not found on balance sheets.
- b) A risk management and control model based on different levels with a specialised risk committee, whenever this is foreseen in the sectoral guidelines or when the company deems it appropriate.
- c) The level of risk that the Company considers acceptable.
- d) The measures foreseen to mitigate the impact of identified risks, should they materialise.
- e) The information and internal control systems to be used to control and manage the

abovementioned risks, including contingent liabilities or off-balance sheet risks.

Compliant Partially compliant Explain

46. Under the direct supervision of the Audit Committee or, if any, of a specialised committee of the Board of Directors, there is an internal risk management and control function exercised by a unit or internal department of the Company that has expressly attributed the following functions:

- a) Ensure the proper functioning of risk management and control systems and, in particular, that all significant risks affecting the Company are adequately identified, managed and quantified.
- b) Actively participate in the development of a risk strategy and take part in the important decisions concerning risk management.
- c) Ensure that the risk management and control systems in place adequately mitigate risks within the framework of the policy defined by the Board of Directors.

Compliant Partially compliant Explain

47. Members of the Appointments and Remuneration Committee – or both Committees if they were separate – are designated by ensuring that they have the knowledge, skills and experience appropriate to the duties that they are to perform and that most of these members are independent Directors.

Compliant Partially compliant Explain

48. Highly-capitalized companies have an Appointments Committee and a separate Remuneration Committee.

Compliant Explain Not applicable

Explanation: In view of the Company's structure as at 31 December 2023, in particular the number of employees and officers, as well as its organisation and activity, it is considered appropriate to keep a single ARC.

49. The Appointments Committee should consult with the Company's Chairman of the Board of Directors and chief executive officer of the company, especially on matters relating to executive Directors.

Any Director may request that the Appointments Committee take into consideration potential candidates to fill director vacancies if he/she feels that they are suitable.

Compliant Partially compliant Explain

50. The duties of the remuneration committee must be exercised with independence and include, in addition to those indicated by law, the following:

- a) Propose to the Board of Directors the standard conditions for senior officers' employment contracts.
- b) Check compliance with the remuneration policy set by the company.
- c) Periodically review the remuneration policy applied to directors and senior officers, as well as the remuneration systems that include shares and how they are implemented, in addition to guaranteeing that their individual remuneration is proportional to that which is paid to other directors and senior officers of the Company.
- d) Ensure that no conflict of interests interferes with the independence of the external advice given to the Appointments and Remuneration Committee.
- e) Verify the information on the remuneration of directors and senior officers found in various corporate documents, including the annual report on director remuneration.

Compliant Partially compliant Explain

51. The Remuneration Committee should consult with the Chairman and chief executive officer of the Company, especially on matters relating to executive Directors and senior officers.

Compliant Partially compliant Explain

52. The rules regarding the composition and proceedings of the supervising and control committees are listed in the Board Regulations, are consistent with those applicable to the legally mandatory committees under the foregoing recommendations, and include the following:

- a) They should be composed exclusively of non-executive Directors, with a majority of independent Directors.
- b) The chairmen should be independent Directors.
- c) The Board of Directors should appoint the members of these committees, taking into account the knowledge, skills and experience of the directors and the responsibilities of each committee; deliberate on its proposals and reports; and, at the first plenary session of the Board following their meetings, receive an account of their activity and a report on the work carried out.
- d) The committees should seek external advice when they deem it necessary to perform their duties.
- e) Minutes of meetings should be taken, and copies sent to all directors.

Compliant Partially compliant Explain

53. Monitoring compliance with the company's policies and regulations on environmental, social and corporate governance as well as the internal codes of conduct should be attributed to one or more committees within the Board of Directors; these committees may be the Audit Committee, the Appointments Committee, a specialised committee on social sustainability or responsibility, or any other specialised committee created specifically for such duties by the Board of Directors by exercising its powers to self-organise. Said committee should be composed solely of non-executive Directors, the majority of whom should be independent and should be specifically assigned the minimum functions indicated in the following recommendation.

Compliant Partially compliant Explain

54. The minimum duties mentioned above are as follows:

- a) Monitor compliance with the Company's corporate governance rules and internal codes of conduct, and ensure that the corporate culture fits its purpose and values.
- b) Monitor compliance with the general policy on economic-financial, non-financial and corporate reporting, as well as communications with shareholders and investors, proxy advisors and other stakeholders. Monitor the way in which the Company communicates and interacts with small and medium shareholders.
- c) Periodic assessment and review of the Company's corporate governance system and environmental and social policy to ensure that they fulfil their mission of promoting its business activity and keep the legitimate interests of other stakeholders in mind.
- d) Ensure that the Company's environmental and social practices match the strategy and policy set.
- e) Supervising and evaluating relations with different stakeholders.

Compliant Partially compliant Explain

55. That the sustainability policies on environmental and social matters identify and include at least:

- a) The principles, commitments, targets and strategy regarding shareholders, employees, clients, suppliers, social and environmental issues, diversity, tax responsibility, respect for human rights and the prevention of corruption and other illegal conducts.
- b) The methods or systems used to monitor compliance with the policies and the related risks and the management thereof.
- c) Mechanisms used to monitor non-financial risks, including those related to ethical matters and

business conduct.

d) The channels of communication, participation and dialogue with stakeholders.

e) Responsible communication practices that prevent manipulation of information and protect integrity and honour.

Compliant Partially compliant Explain

56. The compensation of the directors is what is necessary to attract and retain directors with a desirable profile, to compensate them for the dedication, qualifications and responsibility that the position entails, and to ensure that to the amount does not interfere with the independence of non-executive Directors' decisions.

Compliant Explain

57. Executive Directors are restricted to variable remuneration linked to the performance of the Company and to their personal performance, as is the compensation in the form of shares, stock options or rights to shares or instruments that are referenced to the value of the stock and long-term savings systems such as pension plans, retirement schemes or other social security systems.

Delivery of shares as remuneration can be contemplated for non-executive Directors on condition that they hold them until they cease to be directors. The foregoing shall not apply to shares that the director needs to dispose of, if appropriate, to meet the costs related to acquisition.

Compliant Partially compliant Explain

58. In the case of variable remuneration, remuneration policies should include precise limits and technical safeguards to ensure they reflect the professional performance of the recipients and not only the general progress of the markets or the company's activity sector or circumstances of this kind.

And in particular, the variable components of remunerations:

a) Should be linked to performance criteria that are predetermined and measurable, and these criteria should consider the risk taken to obtain a result.

b) Should promote the sustainability of the Company and include non-financial criteria that are suitable for creating long-term value, such as compliance with the Company's internal rules and procedures and its policies for risk management and control.

c) Should be set on the basis of a balance between fulfilling short-, medium- and long-term goals, to remunerate the results from continued performance over a sufficient period of time to appreciate their contribution to sustainable value creation, so that the elements that measure the results do not revolve solely around specific, occasional or extraordinary events.

Compliant Partially compliant Explain Not applicable

59. Payment of variable remuneration components should be subject to sufficient verification to ensure that predetermined performance criteria have effectively been met. Companies must include in the annual directors' remuneration report the criteria regarding the time and methods required for said verification according to the nature and characteristics of each variable component.

In addition, companies should consider introducing a malus clause based on deferring, for long enough, the payment of part of the variable components that implies their total or partial loss in the event that, prior to the time of payment, an event occurs that makes this advisable.

Compliant Partially compliant Explain Not applicable

60. In the case of remuneration linked to company earnings, deductions should be computed for any qualifications stated in the external auditor's report.

Compliant Partially compliant Explain Not applicable

61. A significant percentage of the variable remuneration of executive Directors is linked to the delivery of

shares or financial instruments referenced to its value.

Compliant Partially compliant Explain Not applicable

- 62. Once the shares, options or financial instruments corresponding to the remuneration systems have been allocated, the executive Directors will not be allowed to transfer their ownership or exercise them until at least three years have elapsed.**

There is an exception for cases when the director maintains a net economic exposure to the variation in the share price for a market value equivalent to at least twice their annual fixed remuneration through the ownership of shares, options, or other financial instruments at the time of the transfer or exercise of those share options.

The foregoing will not apply to shares that the director needs to sell to meet the costs related to their acquisition or, when supported in its assessment by the Appointments and Remuneration Committee to deal with any extraordinary situations that may arise.

Compliant Partially compliant Explain Not applicable

- 63. Contractual agreements include a clause that allows the Company to claim reimbursement of variable components of remuneration when payment has not been adjusted to the return conditions or when they have been paid based on data that are subsequently credited with inaccuracy.**

Compliant Partially compliant Explain Not applicable

- 64. Payments for contract termination should not exceed an amount equivalent to two years of the total annual remuneration and they should not be paid until the Company has been able to verify that the director has met the criteria or conditions established for payment.**

For the purposes of this recommendation, any payments arising from contract termination, whose accrual or payment obligation arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the Company must be considered, including any amounts from long-term savings schemes that have not been previously consolidated and amounts paid under post-contractual non-competition agreements.

Compliant Partially compliant Explain Not applicable

H. If there are any relevant points regarding the corporate governance of the Company or entities of the group that are not contained in the rest of the sections of this report, but which should be included in order to present a more

1. If there are any other relevant aspects of corporate governance at the company or at group companies that have not been set out in the other sections of this report but must be included to provide a more complete and reasoned view of the governance structure and practices of the company or its group, describe them briefly.
2. Any other information, clarification or observation related to the above sections of this report may be included in this section insofar as they are relevant and not repetitive.

Specifically indicate whether the Company is subject to corporate governance legislation from a country other than Spain and, if so, include the compulsory information to be provided when different to that required by this report.

3. Also state whether the Company voluntarily subscribes to other international, sectoral or other ethical principles or standard practices. If applicable, identify the code and date of adoption. In particular, it will be specified whether the Company has adhered to the Code of Good Tax Practice of 20 June 2010.

1. On 10 December 2015, the Board of Directors of the Company resolved to adhere to the Code of Good Tax Practices. This resolution was communicated to the tax authorities on 8 January 2016.

2. On 27 July 2016, as a result of an amendment to the Regulations of the Board of Directors, it was decided that the ARC would be responsible for supervising compliance with the rules of corporate governance and other related matters. By virtue of the foregoing and to implement best corporate governance practices at Colonial, the ARC created the Corporate Governance Unit, reporting directly to the Committee and composed of the Chairman of the ARC and the Head of the Legal Department at the company. Furthermore, on 17 December 2020, the Board resolved to amend the Board Regulations to align them with the new amendments to the good governance recommendations approved by the CNMV in June 2020. On the same date, the Board created the SC, whose primary duties include periodically ensuring proper compliance with the environmental and sustainable development policies approved by the Company.

3. In 2023, the Company started to implement a strategic decarbonisation plan to achieve increasingly ambitious goals in view of the current relevance of sustainability matters. This ambitious strategic decarbonisation plan, which is in line with the principles of the Paris Agreement signed in December 2015, stems from the Company's commitment to achieve carbon neutrality across its portfolio of offices by 2030, with emission reduction targets that are in line with the Science Based Target Initiative ("SBTi") and with the goal of keeping the increase in the planet's average temperature below 1.5°C. The SBTi has validated and approved the goal of significantly reducing its emissions by 2030 contained in the Group's decarbonisation plan.

4. Regarding the information on the ACC provided in section C.2.1, the following should be particularly noted in relation to the non-audit services provided by the external auditor in 2023: (i) the issue of reports on the ESG indicators contained in the Integrated Annual Report; and (ii) the inventory of greenhouse gas indicators.

5. In March 2023, the subsidiary Inmocol Torre Europa, S.A. signed two lease agreements with two companies related to the significant shareholder Puig, S.A. The transaction was not considered a related-party transaction because Puig, S.A. did not hold more than 10% of the voting rights in Colonial and was not represented on its Board of Directors. In any case, they were signed under arm's length conditions.

This Annual Corporate Governance Report was approved by the Company's Board of Directors at its meeting of 29 February 2024.

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

Yes []

No [X]

Name or company name of director who did not vote in favour of this Report	Reasons (against, abstention, non-attendance)	Explain the reasons
Observations		

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