

## TO THE NATIONAL SECURITIES MARKET COMMISSION (CNMV)

Compañía de Distribución Integral Logista Holdings, S.A. (**the Company**), pursuant to the provisions of Article 17 of the European Parliament and the Council Regulation (EU) 596/2014, of April 16th, on the Market Abuse, and to the provisions of Article 228 of the Refunded Text of the Law on the Securities Market, informs the National Securities Market Commission of the following:

In accordance with Article 529.1 of Royal Legislative Decree No 1/2010, of 2 July, approving the Consolidated Text of the Capital Companies Act, the Company reports that the Board of Directors, in its meeting of December 19, 2017, and with the previous favourable report of the Audit and Control Committee, agreed the amendment of articles 15, 17 and 46 of the Regulation of the Board of Directors, Consolidated Text of 26 January 2016, in order to adapt it to the Recommendations of the *Technical Guide of the CNMV concerning Audit Committees*, approved by the CNMV.

The Consolidated Text of the Regulation of the Board of Directors, with the amended articles, has been signed in all its pages by the Secretary of the Board of Directors (in the Spanish version), and is attached to this communication

The Company will inform the next General Shareholders' Meeting of the above mentioned amendments, and afterwards, will submit the Board of Directors' Regulation to the Companies Registry ("*Registro Mercantil*") for registration.

Leganés, December 21, 2017.

Compañía de Distribución Integral Logista Holdings, S.A.



# BOARD OF DIRECTORS REGULATION

**Consolidated Text - 26 January 2016**

**Amendments:**

**19 December 2017 (Articles 15, 17 and 46)**

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## **BOARD OF DIRECTORS REGULATION**

### **FOREWORD**

In addition to any applicable legal regulations, the regulations for the Board of Directors of Compañía de Distribución Integral Logista Holdings, S.A., is contained in articles 32 to 42 bis of the By-Laws.

The Board of Directors, pursuant the provisions contained in article 528 of the Consolidating Text of the Capital Companies Law, approved by Royal Legislative Decree 1/2010 of 2 July, approves these Regulations for the Board of Directors (the **Regulations**).

## **CHAPTER I. GENERAL PROVISIONS**

### **Article 1. Aim and Scope of Application**

1. The aim of these Regulations is to determine the principles of action of the Board of Directors of Compañía de Distribución Integral Logista Holdings, S.A. (hereinafter, **GRUPO LOGISTA** or the **Company**), its basic organisational and operational rules, its rights and obligations and the rules governing the behaviour of its members.
2. Behaviour rules established in these Regulations for Directors will also be applicable - insofar as these are compatible with the specific nature of their posts - to Senior Management within GRUPO LOGISTA, considered as such, for this purpose, in any event, the Secretary of the Board and Director of Internal Audit.
3. For the purposes of these Regulations, the group of the Company is understood to be formed by GRUPO LOGISTA and those companies which are in any of the situations envisaged in Article 42 of the Code of Commerce, with regard to GRUPO LOGISTA.

### **Article 2. Interpretation**

1. These Regulations are complementary to the provisions applicable to the Board of Directors established by current mercantile legislation in force and the By-Laws of GRUPO LOGISTA, which will take precedence in the event of a discrepancy with the provisions of the Regulations.
2. The resolution of any issues regarding the application of these Regulations is a matter for the Board of Directors itself, in accordance with legal and statutory regulations.

### **Article 3. Amendment**

1. These Regulations may only be amended following the request of the Chairman, or three Directors or the Audit and Control Committee, with any amendment proposals being accompanied by an explanatory document.
2. Amendment proposals should be reported by the Audit and Control Committee.
3. Approval and amendment of the Regulation requires the prior positive vote of two-thirds of the Board's Members.
4. The Board of Directors will report amendments of these Regulations to the first General Meeting which takes place after the scheduled amendment.

### **Article 4. Dissemination**

1. Knowledge of and compliance with these Regulations is mandatory for Directors and, when applicable, Senior Management who will also endeavour to ensure its provisions are respected. To achieve the purpose stated above, the Secretary of the Board will furnish all Directors with a copy of the Regulations.
2. These Regulations, and as amended from time to time, can be consulted in the registered office of GRUPO LOGISTA and on its website, they will be reported to the Spanish National Securities Market Committee (CNMV) and they will be registered at the Mercantile Registry,

in accordance with the Law, and once registered, they will be disclosed by the Spanish National Securities Market Committee.

## **CHAPTER II. AIMS AND ACTION OBJECTIVES OF THE BOARD**

### **Article 5. General Monitoring Functions**

1. Other than those matters reserved to the judgement of the General Shareholders Meeting, the Board of Directors is the highest decision-making body within GRUPO LOGISTA, and is in charge of the representation of GRUPO LOGISTA; this faculty of representation will be extended to all the acts included at the social purpose determined at the By-Laws.
2. The Board's policy is to delegate GRUPO LOGISTA's ordinary management tasks to the executive bodies and the management team, and to focus its activity on the general task of strategic definition and management's supervision, without prejudice to those matters that according to the Law, the By-Laws or these Regulations cannot be delegated.
3. Those powers legally or institutionally reserved for the decision of the Board plenary may not be delegated, and neither may those other tasks which are necessary for the correct performance of the general function of supervision.

The Board of Directors in no case may delegate the following powers:

- a) The determination and approval of general policies and strategies of GRUPO LOGISTA and, in particular:
  - i) The approval of the Strategic Plan, the Business Plan as well as the management aims and Annual Budgets.
  - ii) Investment and financing policies.
  - iii) The definition of the structure of the corporate group of which the Company is the controlling entity.
  - iv) The corporate governance policy of GRUPO LOGISTA and the group of which it is the controlling entity.
  - v) Corporate social responsibility policy.
  - vi) The evaluation of performance of the Directors.
  - vii) The policy for control and management of risks, including tax risks, as well as supervision of the internal reporting and control systems, in particular those for financial information.

The policy for control and management of risks should identify at least: (i) The different types of financial and non-financial risk which the Company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks), including under the financial or economic risks, contingent liabilities and other off-balance-sheet risks; (ii) the determination of the risk level the Company considers acceptable; (iii) the measures in place to mitigate the impact of identified risk events should they occur; and (iv) the internal control and reporting systems to be used



to control and manage the above risks, including contingent liabilities and off-balance sheet risks.

- viii) The tax strategy of GRUPO LOGISTA.
  - ix) Dividends policy as well as the company's portfolio and, in particular, its limits.
  - x) The policy for information, communication and contacts with shareholders, institutional investors and proxy advisors.
  - xi) The Directors selection policy.
- b) Resolving on its own organisation and functioning, in particular approval and modification of its own Regulations.
  - c) Supervision of the effective functioning of such Committees as the Board of Directors has constituted and the actions of the board committees.
  - d) The decision-making in relation to the compensation of the Directors, in particular for the executive Directors, the individual remuneration for their executive duties and any other basic conditions to be recognised in their contracts, within the framework of the By-Laws, the compensation policy for Directors approved by the General Shareholders Meeting.
  - e) The appointment and removal of the Company's Managing Director.
  - f) On proposal of the chief executive of GRUPO LOGISTA, the appointment and removal and supervision of the functioning of managers that report directly to the Board or any of its members, as well as the establishment of the basic terms of their contracts, including their compensation and indemnification clauses.
  - g) Financial information which GRUPO LOGISTA is obliged to make public periodically due to its listed status.
  - h) The approval of investments or transactions of any description which are of a strategic nature or of high tax risk because of their amount or special characteristics, except in the event approval of said investments or operations is a duty of the General Shareholders' Meeting.
  - i) The creation and acquisition of stakes in special-purpose organisations or those organisations registered in countries or territories considered tax havens, as well as any other similar transactions or operations which, because of their complexity, may deteriorate the transparency of GRUPO LOGISTA Group.
  - j) The preparation of the annual accounts and their presentation to the General Shareholders Meeting.
  - k) The call of the General Shareholders Meeting and preparation of the Agenda and proposed resolutions.
  - l) The preparation of any kind of report required by law or the Board of Directors, provided that the matter in question cannot be delegated in accordance with this article.

- m) The powers the General Meeting has delegated to the Board of Directors, unless expressly authorised by it to subdelegate them.
- n) The approval, after a report of the Audit and Control Committee (unless not required legally), of the transactions that the Company or companies in its Group engage in with the Directors or shareholders that, individually or together with others, hold a significant interest in GRUPO LOGISTA, including the shareholders represented on the Board of Directors of GRUPO LOGISTA or other companies in its Group, or persons related thereto.
- o) The authorisation, approval and waiver, if applicable, of the transactions, obligations or prohibitions referred to in articles 34 to 43, both included, of these Regulations, unless authorisation and waiver thereof legally corresponds to the General Meeting.
- p) The examination and approval of the Annual Corporate Governance Report, as well as the preparation and approval of the annual Report on Compensation of Directors.
- q) The establishment of the content of GRUPO LOGISTA's website, in accordance with applicable provisions.
- r) The approval of the matters that must be approved by special majority in accordance with the By-Laws and articles 12, 16, 21 and 30.3 of these Regulations.
- s) All other tasks that cannot be delegated by the Board of Directors by Law or according to the provisions of the By-Laws or these Regulations.

When there are urgent circumstances, duly justified, the decisions corresponding to the matters included under letters a) sections i) ii) iii) iv) v) vii) and ix); b) g), h), i) and n) may be adopted by the Managing Director, and must be ratified at the first meeting of the Board of Directors held after the adoption of the decision.

#### **Article 6. Aims of the Activities of the Board**

1. The Board of Directors will develop its duties with unity of purpose and independence, and it will treat equally all shareholders in the same position, with the ultimate aim of reaching the corporate aim described in the By-Laws, guided by the corporate interest, understood as the creation of a profitable business that promotes its sustainable success over time, while creating the Company's economic value. Likewise, it will take into consideration other legitimate public and private interests of those involved in the development of corporate activities and, in particular, its workers.
2. To achieve the purpose stated above, the Board of Directors will establish and review the corporate and financial aims of GRUPO LOGISTA and agree strategies, plans and policies for its achievement, promoting and supervising management of GRUPO LOGISTA as well as the achievement of established aims, and guaranteeing the existence of suitable management and organisation, effectively under the supervision of the Board of Directors.
3. In the development of its functions, the Board of Directors will ensure, subject to the Law, By-Laws and any other legal obligations, that no person or group of persons has decision-making power that is not subject to counter-balance and controls.

The Board of Directors will ensure that in its relationships with interest groups (stakeholders), GRUPO LOGISTA respects Laws and Regulations, meets its obligations

and contracts in good faith, respects commonly accepted uses and good practices in sectors and territories where it operates, maintains professional links with employees, suppliers, clients and other third parties it contracts with, and that it respects ethical duties which should govern a responsible management of the business operation, and any other additional social responsibility principles it has accepted voluntarily. In this context, the Board of Directors should strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

### **CHAPTER III. MEMBERS OF THE BOARD**

#### **Article 7. Categories of Directors**

1. Directors are classified in the following categories:

1) Executive Directors

Executive Directors are those Directors that perform management functions within GRUPO LOGISTA or the companies in its Group, whatever the legal relationship maintained with them.

A director will be considered as executive director if he carries out management functions and at the same time is or represents a significant shareholder or a shareholder who is already represented in the Board of Directors.

Notwithstanding the above, the Directors who are part of the senior management or directors in parent companies of the Company (in each case whether direct or indirect) shall be considered as Directors representing significant shareholders.

Non-executive Directors are all of the other Directors of the Company. They may be Directors representing significant shareholders, independent, or other External Directors.

2) Directors representing significant shareholders

Directors representing significant shareholders are those who:

- a) Have a stake in shares equal to or above that considered significant by law or who have been appointed due to their position as shareholders, even if the stake in the company does not meet the amount stated.
- b) Those representing shareholders mentioned in section a) above.

For the purposes of this definition, it is presumed that a Director represents a shareholder when:

- a) Said director has been appointed exercising the right to proportional representation.
- b) He is a Director, senior manager, employee or non-occasional service provider of said shareholder or the companies belonging to its group.
- c) Company documents suggest the shareholder assumes that the director has been appointed by it or that the director represents the shareholder.

d) The director is the spouse, person with whom a relationship of mutual affection exists, or relative up to the second degree of the significant shareholder.

3) Independent directors

Independent Directors are those who may develop functions without being influenced by their relationship with GRUPO LOGISTA or its group, its shareholders or managers due to their personal and professional circumstances.

4) Other External Directors

Non-executive Directors not included in the two categories described above.

2. Independent Director posts will be barred to any of the following persons:

- a) Those who have been an employee or executive Director for GRUPO LOGISTA Group companies, except in the event three or five years have elapsed, respectively, since the termination of this relationship.
- b) Those who have received any amount or benefit from GRUPO LOGISTA or GRUPO LOGISTA Group for an item which is not Directors' Compensation, except in the event that this amount is insignificant for the Director.

For the purposes of this section, dividends and pension compensation which the Director receives from his prior professional or work relationship will not be taken into account, as long as said compensation is not conditional and, as a consequence, that the company paying this compensation cannot cancel, amend or change its payment due date at its discretion without incurring a breach of its obligations.

- c) Those who are or have been partners of an external auditor or responsible for an auditor's report in the prior three years, irrespective of whether this was GRUPO LOGISTA's audit report in said period, or the auditor's report for any other company of GRUPO LOGISTA Group.
- d) Those who are executive Directors or in senior management in any other company in which an executive director or senior manager of GRUPO LOGISTA has a post as external director.
- e) Those who maintained or have maintained a significant business relationship with GRUPO LOGISTA or any company in GRUPO LOGISTA Group in the past year, irrespective of whether this was in their own name or as a significant shareholder, director or senior manager of an institution which has maintained or maintains such a relationship.

Business relationships include relationships as a supplier of goods and services, including financial services and consulting or advisory services.

- f) Those who are significant shareholders, executive Directors or directors of an organisation which receives donations from GRUPO LOGISTA or GRUPO LOGISTA Group or has received such donations in the prior three years.

Foundation directors are not included in the clause above.

- g) Spouses, or persons with whom a relationship of mutual affection exists, or relative up to the second degree of an executive director or senior manager of GRUPO LOGISTA.
- h) Those who have not been proposed for appointment or re-election by the Appointment and Remuneration Committee.
- i) Those who have been a Director for a continuous term, exceeding twelve years.
- j) Those who are in any of the circumstances described in sections a), e), f) or g) with regard to a significant shareholder or a shareholder with representation on the Board. In the event of a family relationship such as that described in section g), the limitation not only applies to shareholders, but also applies to Directors representing major shareholders in the companies in which a stake is held.

Directors representing major shareholders who lose their position when the stake is sold by the shareholder they represent may only be re-elected as Independent Directors when the shareholder who proposed their appointment has sold the entirety of its shares in GRUPO LOGISTA.

A Director owning a stake in GRUPO LOGISTA may be elected as an Independent Director as long as all the conditions described in this section are met and the stake is not significant.

- 3. The nature of each Director should be explained by the Board before the General Shareholders Meeting which will effectuate or ratify their appointment and confirm this appointment or, if applicable, it will review the corporate governance report annually, following its verification by the Appointment and Remuneration Committee.
- 4. In particular, the Board, with a previous report from the Appointment and Remuneration Committee, will be responsible for determining, on an annual basis, when the Corporate Governance Report is done, and on the basis of the information provided by the Director, or as publicly available, whether such Director continues to comply with the conditions of independence set forth in paragraph 2 of this article.

#### **Article 8. Qualitative Membership**

- 1. Notwithstanding the proposal rights of shareholders, the Board of Directors, exercising its duties at the instance of the General Shareholders' Meeting and in filling vacancies, it will ensure:
  - a) That Directors representing significant shareholders and independent Directors should constitute an ample majority on the Board of Directors
  - b) That the number of executive Directors is the minimum required, taking account of the complexity of the group of GRUPO LOGISTA and the ownership interests they control.
  - c) That the percentage of Directors representing significant shareholders out of all non-executive Directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the Company's capital
  - d) That the number of Independent Directors is, at least, a third of the total number of Directors.

2. The Board of Directors will ensure that the procedures for selection of its members favour diversity of gender, experience and knowledge and do not suffer from implicit bias that could imply any discrimination. In particular, they must facilitate the selection of female directors.

#### **Article 9. Number of Directors**

1. The Board of Directors will be formed by the number of Directors determined by the General Shareholders Meeting within the limits set by GRUPO LOGISTA's By-Laws and the Law.
2. The Board will propose a number of Directors to the General Meeting which, in accordance with GRUPO LOGISTA's changing circumstances is the most suitable number in order to ensure the proper representation and effective participation in and functioning of the Board of Directors. The number suggested will never exceed fifteen.

### **CHAPTER IV. STRUCTURE OF THE BOARD OF DIRECTORS.**

#### **Section 1: Internal Position of the Board of Directors**

#### **Article 10. The Chairman of the Board**

1. The Chairman of the Board of Directors will be elected from among the Directors, after a report of the Appointment and Remuneration Committee. The Chairman is ultimately responsible for the effective functioning of the Board of Directors. In addition to the authority granted by law, the By-Laws, the General Shareholders Meeting Regulations and these Regulations, the Chairman will have the following authority:
  - a) To lead, call and chair meetings of the Board of Directors, setting the agenda for meetings and leading discussions and deliberations. Notwithstanding the above, the Chairman is obliged to summon the Board when a third of the Directors request this and include the item in the meeting's agenda. When the Chairman had not made a call within one month from that request, one third of the Directors of the Board may call the Board by themselves to be held in the corporate domicile of GRUPO LOGISTA.
  - b) To prepare and submit to the Board a schedule of meeting dates and agendas.
  - c) To preside at the General Shareholders Meeting.
  - d) To ensure that the Directors in advance receive sufficient information to deliberate regarding the points on the agenda.
  - e) To encourage active participation and discussion by Directors during meetings, ensuring that they may freely adopt positions, and that sufficient time is given to the discussion of strategic issues.
  - f) To approve and review refresher programmes for each Director, when circumstances so require.

#### **Article 11. The Vice-Chairman or Vice-Chairmen**

1. The Board, following the request of the Chairman and the report of the Appointment and Remuneration Committee, may appoint one or more Vice-Chairmen from among its members to temporarily deputise for the Chairman in the event of absence, illness or inability to perform his duties.

2. In the event there are multiple Vice-Chairmen, the Vice-Chairman appointed expressly by the Chairman will deputise for the Chairman and, in his absence, the Vice-Chairman with the oldest appointment will deputise and, in the event of equal appointment periods, the eldest Vice-Chairman will deputise. In the event there were no Vice-Chairmen, the Director with the oldest appointment will deputise and, in the event of equal appointment dates, the oldest Director will deputise.
3. If the Chairman of the Board acts as an executive Director, the Board of Directors, with the abstention of the executive Directors, must necessarily appoint a coordinating director from among the independent Directors, which director will be specifically empowered to request a call of the Board of Directors or inclusion of new points on the agenda for a Meeting already called, to chair the Board of Directors in the absence of the Chairman or the Vice Chairman; to coordinate and meet with the non-executive Directors, giving voice to their concerns; to coordinate the Chairman's succession plan and, if applicable, to lead the periodic evaluation of the Chairman; and to maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those that have to do with the Company's corporate governance.

#### **Article 12. The Managing Director**

1. The Board of Directors may delegate all or part of its faculties to one or more Directors, except the faculties that cannot be delegated by the Law, or as expressly provided in the By-Laws or in these Regulations.
2. The permanent delegation of faculties of the Board of Directors and the appointment of the Director/s, to occupy the Managing Director positions, will require in order to be valid, the favourable vote of 70% of the members of the Board, and will be of no effect until its registration in the Mercantile Registry.
3. The Managing Director, by delegation of the Board of Directors, will be responsible for the management of GRUPO LOGISTA, and will hold the highest management and executive faculties of GRUPO LOGISTA.

#### **Article 13. The Secretary of the Board**

1. The Board of Directors, following a report of the Appointment and Remuneration Committee, will appoint a Secretary who may or may not be a Director. The same procedure will be followed to agree the removal of the Secretary.

The Secretary of the Board, as such, will depend exclusively on the Board of Directors and its Chairman.

2. As well as the functions assigned by Law and the By-Laws, the Regulation of the General Shareholders' Meeting or by these Regulations, and the Internal Conduct Regulation of GRUPO LOGISTA in matters relative to securities markets, the Secretary will be entrusted with the following duties:
  - a) Keeping the records of the Board of Directors, reflecting the conduct of meetings in the minute books and certifying the content thereof and the resolutions adopted.
  - b) Ensuring that the actions of the Board of Directors comply with applicable regulations and the provisions of the By-Laws, the other internal regulations and the GRUPO

LOGISTA corporate governance criteria and principles, in particular the rules in these Regulations.

- c) Assisting the Chairman in seeing to it that the Directors receive the relevant information for performance of their duties, sufficiently in advance and in the appropriate format.
  - d) Verifying compliance with provisions arising from regulatory bodies and the consideration, if applicable, of their recommendations.
3. The Secretary of the Board shall perform the faculties legally assigned to the attorney-at-law, if he is qualified as an attorney, when, being this figure, legally mandatory, is designated by the Board of Directors.

#### **Article 14. The Deputy-Secretary of the Board**

1. The Board, following a report of the Appointment and Remuneration Committee, will appoint a Deputy-Secretary who need not be a Director, to assist the Secretary of the Board of Director or to temporarily replace the Secretary in the event of vacancy, absence or illness. The same procedure will be followed to agree the removal of the Deputy-Secretary.
2. Except in the event the Board of Directors decides otherwise; the Deputy-Secretary may attend the Board meetings, to aid the Secretary in the drafting of minutes.
3. In the absence of the Secretary and the Deputy-Secretary, the Director appointed by the Board of Directors, from those attending at the relevant meeting shall act as Secretary of the meeting.

#### **Section 2. Committees of the Board of Directors**

##### **Article 15. The Board Committees**

1. Without prejudice to the power of the Board of Directors to designate and permanently delegate whatever powers it considers appropriate to one or several Directors, either individually (Chief Executive Officers) or to several Directors collectively (Executive Committee or Delegated Committee), there will be set up, necessarily, an Audit and Control Committee in accordance with the provisions of Article 43 of the Bylaws, and an Appointments and Remuneration Committee in accordance with the provisions of Article 43 bis of the Bylaws. The functions of these two committees will be exclusively those of information, advice and suggestions about the matters described in the articles below.

The appointment of members of the Audit and Control Committee and of the Appointments and Remuneration Committee will be made by the Board of Directors, and those members must all be non-executive Directors. The members of both Committees will cease in their posts upon their cessation as Directors, or when the Board so decides.

The Secretary of those Committees will be the Secretary of the Board of Directors, and failing that, will be the Deputy Secretary, if any.

2. The Appointments and Remuneration Committee will evaluate the profiles of the people best suited to form part of the various Committees, and will make the corresponding proposals to the Board. The Board will appoint members of Committees after taking into consideration the knowledge, skills and experience of the Directors and the tasks to be performed by each Committee.



3. The Audit and Control Committees and the Appointment and Remuneration Committees will each appoint a Chairman from among their members that are independent Directors, and will meet when convened by that Chairman. The said Committees will prepare an annual plan of action, that will include the main activities of each Committee during the fiscal year, for which they will be accountable to the Board. In any matter not specifically provided for, the rules of operation established by these Regulations with regard to the Board will apply, provided that they are compatible with the nature and function of the Committee.

The conclusions or proposals formulated in the meetings of these Committees will be recorded in minutes which will be available to all the Directors. The Committees will give accounts of their activities in the first plenary session of the Board of Directors after their meetings, responding of the work performed.

4. Additionally, the Board of Directors may establish other internal Committees whose functions will be determined by the Board itself. Their members will be appointed by the Board from among the non-executive Directors, with a majority of independent Directors, taking into account the knowledge, skills and experience of the Directors and the duties of each Committee. The Committees will be chaired by independent Directors.

In the performance of their functions, the Committees may obtain external advice when they deem it necessary.

#### **Article 16. The Executive Committee**

1. In accordance with GRUPO LOGISTA's By-Laws, the Board of Directors may appoint an Executive Committee from among its members.

The Board of Directors which agrees the creation of an Executive Committee should agree its members and the legal regime governing its operation, in agreement with the provisions of the Law, the By-Laws, and these Regulations. In any event, the Chairman of the Board and the Vice-Chairman will be members of the Executive Committee and, if applicable, the Managing Director.

The qualitative composition of the Executive Committee must reasonably reflect the composition of the Board and the balance established therein among inside, proprietary and independent Directors.

2. In order for an agreement to be reached on the appointment of members of the Executive Committee, positive votes of at least 70% of the Board of Directors are required.
3. The Executive Committee will be chaired by the Chairman of the Board, and its Secretary will be Secretary of the Board and, in his absence, the Deputy- Secretary. In the absence of both of the above, the Secretary's duties will be performed by a Director on the Executive Committee appointed by those attending the relevant Executive Committee's meeting.
4. Permanent delegation of duties on behalf of the Board of Directors to the Executive Committee may include all of the Board's duties, except those which are not delegable according to applicable Laws or GRUPO LOGISTA's By-laws, or by virtue of the provisions in these Regulations. Said delegation will require the positive vote of 70% of the Members of the Board of Directors and will have no effects until the decision is registered at the Mercantile Registry.

5. The Executive Committee will hold its sessions periodically, in principle, on a monthly basis.
6. In those cases in which, in the opinion of the Chairman or three members of the Executive Committee, the importance of the matter so requires, Executive Committee decisions may be submitted to the Board for ratification.

The same will be applicable in the case of matters which the Board has submitted to the Executive Committee for consideration, where the Board will reserve the right to take a definitive decision.

In any event, notwithstanding the above but subject to paragraph 4, agreements reached by the Executive Committee are valid and binding with no need for subsequent ratification on behalf of the Board Meeting.

7. The Executive Committee is obliged to report matters discussed to the Board of Directors as well as decisions reached in the course of its sessions, and all Board members should receive a copy of the Committee's minutes.

#### **Article 17. Audit and Control Committee**

1. The Board of Directors, in accordance with the provisions of article 43 of the By-Laws, will form an Audit and Control Committee composed of a minimum of three and a maximum of seven non-executive Directors, most of whom will be independent, and one of whom will be appointed by the Board of Directors, at the proposal of the Appointments and Remuneration Committee, who will take account of his or her knowledge and experience of accounting and/or auditing.

Additionally, the Board of Directors will ensure that the members of the Audit and Control Committee, and particularly its Chairperson, have knowledge and experience of accounting, auditing and risk management, and of other fields which may be appropriate in the performance of the Committee's functions as a whole, such as finance, internal control and information technology, although they do not necessarily need to be experts in these latter fields, except as provided above.

In addition, and having due regard to ensuring the promotion of diversity of sex and of geographical origin, the members of the Audit and Control Committee, who will be appointed because they have the necessary dedication to the performance of the functions entrusted to them, will, as a whole, have the technical knowledge which is pertinent to the Company's sector of activity.

The members of the Audit and Control Committee will elect one of their members as Chairperson. That person will be replaced every four years, and may be re-elected after one year has elapsed since their cessation.

2. Without prejudice to other duties which the Board may assign to it, the Audit and Control Committee will have the following responsibilities:

##### *In relation to the control of financial reporting:*

- a) Reporting at the General Shareholders' Meeting on the questions raised by shareholders about subjects within its area of responsibility, and in particular, about the result of the audit, and explaining how it contributed to the completeness of the financial information and to the role which the Committee performed during this process.

- b) Supervising the process of drawing up the required financial information and its completeness and submission, and making recommendations or proposals to the Board of Directors aimed at safeguarding its integrity, checking compliance with regulations, the accurate demarcation of the consolidation perimeter, and the correct application of accounting principles.
- c) Supervising compliance with legal requirements and the correct application of generally accepted accounting principles, and reporting on the proposals for modification of accounting principles and criteria suggested by Management, and of the risks on and off the balance sheet.
- d) Ensuring that the Board of Directors arranges to submit the accounts to the General Shareholders' Meeting without limitations or qualifications in the audit report and that, in the unlikely event of there being qualifications, that both the Chairperson of the Audit and Control Committee and the auditors clearly explain to the shareholders the nature and extent of those limitations or qualifications.
- e) Reporting to the Board of Directors on the Company's Annual Accounts, and on the financial information which the Company has to publish regularly, and which has to be sent to the bodies that regulate or supervise the markets.

*In relation to the supervision of internal control and of internal auditing:*

- f) Supervising the effectiveness of the Company's internal control systems, and in particular, those for financial reporting and the Company's risks systems, reviewing the appointment and replacement of its managers, and discussing with the accounts auditors or auditing companies the weaknesses of the internal control system, detected during the audit, all of this without compromising its independence. To that end, and where appropriate, recommendations or proposals may be submitted to the Board of Directors in keeping with the corresponding period for follow-up activities.
- g) Supervising the services and activities of the internal Audit unit and, in particular, assuring the independence of the unit handling the internal audit function, which will report functionally to the Committee's Chairperson and will ensure the effectiveness of the reporting and internal control systems; proposing the selection, appointment, re-election and cessation of the head of the internal audit service; proposing the service's budget; approving its priorities and work programmes, ensuring that it focuses primarily on the main risks to which the Company is exposed; receiving regular reports on its activities; and verifying that the senior managers are acting on the findings and recommendations of its reports.

The head of the unit handling the internal audit function will present an annual work programme to the Committee, inform it of any incidents arising during its implementation and submit a report on its activities at the end of each year.

- h) Setting up and supervising a procedure which allows employees of the Company's group, confidentially and, where possible and deemed appropriate, anonymously, to report irregularities of potential importance, especially financial and accounting irregularities, within the Company or its Group.

In relation to the supervision of the management and control of risks:

- i) Supervising the effectiveness of the Company's risk systems, reviewing the appointment and replacement of the managers, and also, when appropriate, submitting recommendations or proposals to the Board of Directors, and the corresponding period for their following-up.
- j) Supervising the risk control and management unit, which will have, among other duties, that of ensuring that the risk control and management systems are functioning correctly, and in particular, that the major risks to which the Company is exposed are correctly identified, managed and quantified; that of actively participating in the preparation of risk strategies and in key decisions about their management; and that of ensuring that the risk control and management systems are mitigating risks effectively within the framework of the policy established by the Board of Directors.

In relation to the accounts auditor:

- k) Referring to the Board of Directors the proposals for the selection, appointment, re-election and replacement of the auditor, assuming responsibility for the selection process pursuant to the provisions of the European regulations, as well as for the terms and conditions of the auditor's engagement, and regularly gathering information from the auditor about the Auditing Plan and its implementation, while preserving his or her independence in the exercise of his/her functions.
- l) Establishing appropriate relationships with external auditors or audit firms in order to receive information about those matters which may represent a threat to their independence, so as to have them examined by the Committee, and about any other matters related to the process of auditing the accounts. When appropriate, authorising services other than those prohibited under the terms of the regulations applying to the independence of auditors, and any other communications envisaged by the legislation on the Auditing of accounts and by the Auditing regulations.

In any event, the Committee will have to receive from the external auditors or auditing firms an annual, written declaration of their independence in relation to the Company and companies directly or indirectly linked to it, and detailed, individual information about additional services provided, of any kind, and about the corresponding fees received from those entities by the said auditors or firms, or by persons or entities connected with them, in accordance with the regulations governing the auditing of accounts. The Committee will ensure that the Company and the external auditor adhere to the current regulations governing the provision of services other than auditing services, the limits on the concentration of the auditor's business, and the other rules about the independence of auditors.

In this regard, the Committee will ensure that the remuneration for the external auditor's work does not adversely affect its quality or independence.

- m) Annually issuing, prior to the issue of the audit report, a report in which an opinion is expressed about whether the independence of the auditors or auditing firms has been compromised. This report, which will be published in the Company's website sufficiently in advance of the Company's Annual General Meeting, will have to include, in any event, a detailed evaluation of the provision of each and every additional service referred to in the preceding paragraph, considered individually and as a whole, apart from the legal audit, in relation to the independence of the accounts auditing and to the regulations governing that auditing.

- n) Ensuring that the Company notifies the CNMV of any change of external auditor as a material event, and that such notification is accompanied by a statement about any disagreements with the outgoing auditor, and the reasons for the same.
- o) Investigating the circumstances of any resignation of an external auditor.
- p) Ensuring that the external auditor attends, annually, the plenary session of the Board of Directors to inform it about the work done and about developments in the Company's risk and accounting situations.
- q) Reporting in advance to the Board of Directors on transactions connected with the creation or acquisition of interests in special-purpose entities, or entities domiciled in countries or territories treated as tax havens, and on obligations, actions, activities and transactions that involve, or could involve, conflicts of interest, particularly in relation to transactions with related parties, and also, in general, on the duties envisaged in chapter IX of the Regulations.

The report, if any, issued by the Audit and Control Committee on transactions of related parties will be published in the Company's website sufficiently in advance of the Annual General Meeting.

- r) Supervising compliance with the rules of corporate governance and with the Company's Internal Codes of Conduct. In particular, the Audit and Control Committee has to:
  - (i) Supervise compliance with the Internal Codes of Conduct, including the Internal Rules of Conduct of the Securities Markets, with these Rules and with the Company's rules on governance, and make proposals for its improvement.
  - (ii) Oversee the strategy for communication and relations with shareholders and investors, including small and medium-sized shareholders.
  - (iii) Regularly evaluate the adequacy of the Company's corporate governance system, to confirm that it is fulfilling its purpose of promoting the corporate interest and catering appropriately for the legitimate interests of the other stakeholders.
  - (iv) Evaluate all aspects of the non-financial risks to which the Company is exposed, including operational, technological, legal, social, environmental and political risks and risks to its reputation.
  - (v) Propose to the Board of Directors the Annual Report on Corporate Governance.
  - (vi) Give a prior report to the Board of Directors on any structural or corporate changes which the Company is planning to make, on their economic conditions and accounting impact and, when applicable, on the exchange ratio proposed.
  - (vii) Gather information and, if appropriate, issue a report on disciplinary measures for senior managers of the Company and its Group.
- s) Supervising compliance with the Company's policy on corporate social responsibility. In particular, the Audit and Control Committee will:

- (i) Review the Company's policy on corporate social responsibility, ensuring that it is orientated towards the creation of value.
- (ii) Monitor corporate social responsibility strategies and practices and assess the degree of compliance in these areas.
- (iii) Monitor and evaluate the Company's interaction with its stakeholder groups.
- (iv) Co-ordinate the processes of reporting non-financial information and diversity, in accordance with the applicable regulations and international standards.
- (v) Ensure that the Company's policy on corporate social responsibility includes the principles and commitments which the Company will voluntarily adhere to in its dealings with stakeholder groups, and that it specifies at least:
  - a) The aims of the policy on corporate social responsibility and the supporting instruments to be deployed;
  - b) The corporate strategy with regard to sustainability, the environment and social issues;
  - c) Concrete practices in matters relative to: shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of illegal conduct;
  - d) The methods or systems for monitoring the results of the practices referred to above, the associated risks, and their management;
  - e) The mechanisms for supervising non-financial risk, ethics and business conduct;
  - f) The channels for communicating with stakeholders, and for participation and dialogue;
  - g) Responsible practices in communication which avoid the manipulation of information and protect integrity and honour.

The report issued by the Audit and Control Committee on the Company's policy on corporate social responsibility will be prepared using one of the internationally accepted methods, and will be published in the Company's website sufficiently in advance of the Annual General Meeting.

- t) Prepare for the Board of Directors an Annual Report on the functioning of the Audit and Control Committee over the year. This Report will serve as the basis for an evaluation by the Board of Directors, which will be published in the Company's website sufficiently in advance of the Annual General Meeting.
- u) Any other duty of reporting or proposing, of a general or specific nature, which is entrusted to it by the Board of Directors.
- v) Any other responsibility or function assigned to it by Law, by the Bylaws or by these Regulations.

3. The Audit and Control Committee will meet as often as necessary, and whenever called by the Chairperson or requested by two of its members, and in any event at least four times per year. One of these meetings will necessarily be devoted to evaluating efficiency and the degree of compliance with the Company's rules and procedures for good governance, and to preparing the information which the Board of Directors has to approve and include in its annual public documentation.
4. The Audit and Control Committee will make resolutions and recommendations by the absolute majority of the members present or represented in the meeting.
5. Any member of the management team or personnel of the Company and its Group who is requested to do so will be obliged to attend Committee meetings and provide collaboration and access to any information which he/she may hold. The Committee may order them to attend without the presence of any other director. The Committee may also request the attendance of accounts auditors at its meetings.
6. In order to perform its duties, the Committee will have access to the means and resources that are necessary for independent operation. The needs in resources must be channelled through the Secretary of the Company's Board of Directors.
7. In order to better perform its tasks, the Audit and Control Committee may seek advice from external professionals, in which case the provisions detailed in article 29 of these Regulations will be applicable.

#### **Article 18. Appointment and Remuneration Committee**

1. The Board of Directors, in accordance with the provisions of article 43 bis of the By-Laws, will form an Appointment and Remuneration Committee comprised of a minimum of three and a maximum of seven non-executive Directors, of which the majority will be independent, appointed by the Board of Directors, and seeking members that have the right balance of knowledge, skills and experience for the functions they are called on to discharge.

The members of the Remuneration Committee shall choose a Chairman from among the independent Directors that are a part thereof.

2. Notwithstanding the functions the Board of Directors may entrust it, the Appointment and Remuneration Committee will have the following competencies:
  - a) Evaluating the skills, knowledge and experience required on the Board. For these purposes, it will define the functions and skills required of candidates that are to fill each vacancy and will evaluate the time and dedication necessary for them to be able to effectively perform their duties.
  - b) Establishing a goal for under-represented sex on the Board of Directors, and developing guidance on how to achieve that goal.
  - c) Making proposals to the Board of Directors of independent Directors to be appointed by co-option or for submission to decision by the General Shareholders Meeting, and proposals for re-election or removal of those Directors by the Meeting.
  - d) Inform about the appointment, ratification, reappointment and removal of non-independent Directors, as well as the appointment and removal of the Managing

Director/s and of the members of the Executive Committee, and the permanent delegation of its relevant faculties to them.

- e) Inform about the proposals for the appointment and removals of the Chairman, Vice-Chairman, Secretary and Deputy-Secretary of the Board of Directors.
- f) Examining and organising, in the manner deemed suitable, succession of the Chairman and the first executive of the Company and, if applicable, making proposals to the Board so that this succession occurs in an orderly and planned way.
- g) Reporting on proposals for the appointment and removal of Senior Managers which the first executive suggests to the Board of Directors.
- h) Proposing to the Board of Directors, for approval by the General Meeting, the Policy for Compensation of Directors as such and for those that perform executive functions.
- i) Proposing the following for approval by the Board:
  - i) The Annual Report on Remuneration of Directors, which the Board shall submit to the General Meeting, on a consultative basis.
  - ii) Individual compensation for Executive Directors and any other conditions pertaining to their contracts.
  - iii) The Policy for Compensation of General Managers or those performing senior management functions, reporting directly to the Board of Directors, the Executive Committee or the Managing Director, as well as the basic terms of their contracts.
- j) Ensuring compliance with GRUPO LOGISTA's remuneration policy, periodically reviewing such policy, including share-based remuneration systems and their application, and ensuring that the individual compensation is proportionate to the amounts paid to other directors and senior officers in the Company.
- k) Ensuring that selection processes are not implicitly biased in such a way that female Directors' selection is prevented.
- l) Ensuring that conflicts of interest do not undermine the independence of any external advice the Committee engages.
- m) Verifying the information on Director and senior officers' pay contained in corporate documents, including the Annual Directors' Remuneration Report.
- n) Verifying, on an annual basis, compliance with the Directors' selection policy and setting out its findings in the Annual Corporate Governance Report.
- o) Drafting an Annual Report for the Board of Directors describing the activities of the Appointment and Remuneration Committee, on which the evaluation by the Board of Directors shall be based. The Report shall be published in GRUPO LOGISTA's website well in advance of the Annual General Meeting.
- p) Any other competence or duty conferred by the Law, the By-Laws or these Regulations.



3. The Appointment and Remuneration Committee will meet every time it is called by its Chairman or two of its members request, and when the Board of Directors or its Chairman request the issuance of a report and the adoption of agreements and, in any event, whenever it deems suitable for the suitable development of its duties.

The Appointment and Remuneration Committee will ask the Chairman and GRUPO LOGISTA's first executive for their opinion, in particular when matters concerning Executive Directors and Senior Managers are discussed.

Any director may approach the Appointment and Remuneration Committee to consider the proposal of candidates that it might consider suitable, in the event of vacancies on the Board.

4. Any member of the management team or personnel of GRUPO LOGISTA so requested is obliged to attend Committee meetings and provide collaboration and access to any information which he/she may hold.
5. The Appointment and Remuneration Committee shall adopt decisions or make recommendations by voting majority of the total number of its members.
6. For the best performance of his duties, the Appointment and Remuneration Committee may obtain external professional advice for this purpose shall apply the provisions of Article 29 of these Regulations.

## **CHAPTER V. OPERATION OF THE BOARD**

### **Article 19. Board of Directors' Meetings**

1. The Board of Directors will usually meet at least quarterly and eight times per year, in accordance with a calendar and agendas set at the start of the year, to which each Director may propose the addition of initially unscheduled items, as well as, following the request of the Chairman, or the person substituting the Chairman, as many times as the Chairman deems appropriate for the operation of GRUPO LOGISTA or when, at least, a third of its members request a meeting, who may call to meeting by themselves to be held in the corporate domicile of GRUPO LOGISTA, when following a previous request to the Chairman meeting all the legal requirements, the Chairman has not made a call within one month without any reasonable justification.
2. Summoning of ordinary sessions will be performed by letter, fax, telegram or electronic mail, or by any other means which provides evidence, and this notification will be authorised with the signature of the Chairman, or the person substituting the Chairman, or the signatures of the Secretary or Deputy-Secretary following the Chairman's orders. The call will be effectuated with a minimum notice of two days.

Absent just cause, the call will include the agenda for the meeting and will attach a summary of the necessary information relevant to deliberation and adoption of resolutions regarding the matters to be considered, clearly indicating on which points Directors must arrive at a decision, so they can study the matter beforehand or gather together the material they need.

In the event that, for reasons of urgency, the Chairman may wish to present decisions or resolutions for Board approval that were not on the meeting agenda, their inclusion will require the express prior consent, duly minuted, of the majority of Directors present.

3. Directors shall provide to GRUPO LOGISTA an e-mail address as well as a mobile telephone number so that the meetings of the Board of Directors and of the committees of which they are members, may be called by those means, if so decided, and the corresponding information, if any.
4. Extraordinary meetings may be summoned by the same means of ordinary sessions, and the notice periods established and other requirements indicated in the section 19.2 above will not be applicable if the circumstances so demand in the opinion of the Chairman.
5. The call will not be necessary when, being present or represented, all the Directors decide unanimously to meet as the Board of Directors.
6. The Board of Directors will prepare an annual plan for its ordinary sessions and it will have a formal catalogue on matters to be discussed.
7. The Board will dedicate at least one meeting per year to evaluation of its functioning and that of its Committees, using for such purposes any internal or external means deemed convenient, and, based on the results, propose an action plan correcting the deficiencies identified. The result of the evaluation will be set forth in the minutes of the meeting, or attached thereto as an annex. In particular, the Board shall evaluate:
  - a) Its performance and the quality and efficiency of the Board's operation, as well as the diversity of board membership and competences -- starting from the report of the Appointment and Remuneration Committee -- and the performance and contribution of each Director.
  - b) The performance of the Chairman of the Board of Directors and the Company's chief executive, starting from the report of the Appointment and Remuneration Committee.
  - c) The performance and membership of its Committees, starting from the reports of each Committee. To this effect, the Chairman of the Board will organize and coordinate such evaluation process with the Chairmen of the Committees.

Every three years, the Board of Directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the Appointment and Nomination Committee.

8. The Board of Director's sessions will normally take place at the company's registered address, but they may also be held at any other address in Spain or abroad that the Chairman, or the person substituting the Chairman, decides and which is indicated in the notification of the meeting.
9. The session of the Board and its Committees may also be held in several places connected via videoconference systems, conference call, and other distance communication techniques, which allow the identification of those attending, permanent communication among them as well as speaking and issuing votes, and ensuring unity of action. It will be understood that the meeting is being held at the place where the majority of Directors are located and, when the same number of Directors are in different places, at the place where the Director chairing the meeting is.

## **Article 20. Constitution and Development of Meetings**

1. The Board will be validly convened when the majority of its members are present or represented at the meeting.

The Directors must attend Board meetings and, when they cannot do so in person, they shall arrange for their representation and vote to be granted in favour of another Board member, including appropriate instructions. The delegation may be made by letter, fax, telegram, e-mail, or by any other valid means acknowledged in writing. Non-executive Directors may do so only to another non-executive Director.

2. The Chairman will organise debates in such a way that active participation of all Directors is ensured and promoted for all the Board's discussions, protecting their right to take a stance and express their opinion.
3. When Directors or the Secretary express concerns about some proposal or, in the case of Directors, about the Company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minute book if the person expressing them so requests.
4. Voting by the Board of Directors, in writing or through distance communication means and without a meeting of the Board, may occur provided that no Director objects thereto, and it satisfies the legal requirements
5. All Directors as well as the Secretary of the Board are obliged to express their opinions clearly when they consider that a proposal submitted to the Board may be contrary to Company interests. In particular, independent Directors and any other Directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking Board representation.

In the event the Board of Directors takes significant decisions which the Director or the Secretary of the Board has expressed serious concerns, the Director or Secretary should explain any necessary conclusions and, in the event he decides to resign, explain the reasons for his resignation in a letter to all Directors.

6. The managers of GRUPO LOGISTA or GRUPO LOGISTA Group or other persons whose presence is deemed appropriate due to the matter under consideration by the Committee may attend the sessions if so provided by the Chairman.
7. Prior to the discussion of the agenda as featured in the notification, the names of the Directors in attendance shall be read, indicating whether they are present personally or represented by another Director.
8. Discussions shall be commenced by the Chairman or any other Board members who have so requested, by exposing the matter in hand, after whom the other Board members may intervene. Once the interventions have concluded, the resolutions shall be submitted to ballot in the way deemed most appropriate by the Chairman. Each resolution shall be voted separately.
9. The Board of Directors' discussions and resolutions shall be recorded in minutes, which must be signed by the Chairman and Secretary or their substitutes.

## **Article 21. Adoption of Resolutions and Majorities**

1. The resolutions shall be approved by absolute majority of the Directors attending the meeting, either in person or via proxy. The only exceptions to this are such cases which the Law, the By-Laws or these Regulations expressly request a different majority.
2. Notwithstanding the above, any resolutions related to any of the matters set out below will require the positive vote of at least 70% of the Directors, as rounded up in case that the application of that percentage does not result in a whole number of Directors, that form part of the Board of Directors and will not be delegated:
  - a) any increase or reduction in the share capital of GRUPO LOGISTA in accordance with article 7 of the By-laws of the Company, or the issuance by GRUPO LOGISTA of any bonds or securities pursuant to Title III of the By-laws of the Company.
  - b) the approval of an annual plan in relation to the capital expenditure, investments and other funding commitments to be carried out by GRUPO LOGISTA in the following year (the "**Annual Capex Plan**");
  - c) any decision in relation to the acquisition of all or part of any business of any third party whether by way of the purchase (whether direct or indirect) of shares, assets or other like interests of any third party (including by way of merger or business combination) by GRUPO LOGISTA or any member of its Group;
  - d) any decision in relation to the disposal of all or part of any business to any third party whether by way of the disposal (whether direct or indirect) of shares, assets or other like interests (including by way of merger or business combination) by GRUPO LOGISTA or any member of its Group;
  - e) any decision of the Company to enter into any partnership or joint venture or any other arrangement to share or distribute profits or assets;
  - f) any decision of the Company to incur or agree to incur, whether directly or indirectly, any capital expenditure, investment or other funding commitment in respect of any matter in excess of €1,000,000 in aggregate save to the extent that such capital expenditure, investment or other funding commitment (including the amount of such capital expenditure, investment or other funding commitment) is set out in the Annual Capex Plan for that period that has been approved in accordance with section (b) above;
  - g) any decision of the Company to amend the terms of its borrowing or indebtedness in the nature of borrowing or grant guarantees, or to create or incur borrowing or indebtedness in the nature of new borrowing;
  - h) the creation of any mortgage, pledge, lien, charge, assignment of any of such securities, or other security interest in relation to the GRUPO LOGISTA, other than a security interest created by operation of law as a result of the ordinary course of business of the GRUPO LOGISTA; y
  - i) any decision to delegate any powers of the Board of Directors to a Managing Director, or to delegate any powers of the Board to any Committee of the Board.

3. For the purposes of counting the required majorities for the adoption of resolutions, the members of the Board that may be under a conflict of interest and that shall abstain from voting shall be discounted from the total number of members of the Board on which shall be calculated said majority.

## **CHAPTER VI. APPOINTMENT AND CESSATION OF DIRECTORS**

### **Article 22. Appointment of Directors.**

1. The appointment, ratification, re-election and removal of Directors correspond to the General Meeting, without prejudice to the authority of the Board of Directors to make appointments by co-option.
2. If during the term for which a Director was elected that Director ceases to be a Director of the Company, for any reason, the Board of Directors, to fill the vacancy, may appoint a Director by co-option.

The co-option will be governed by the provisions of law, with the Director appointed by the Board not necessarily being required to be a shareholder of GRUPO LOGISTA.

The appointment of Directors by the system of co-option in accordance with the provisions of law will be effective until the first following General Meeting, which must ratify the appointment or designate the person that thereafter is to fill the position, or until the holding of the next following General Meeting, if the vacancy occurs after the call of the General Meeting, and before it is held.

3. Proposal of appointment or re-election of Directors corresponds to the Appointment and Remuneration Committee, in the case of independent Directors, and to the Board of Directors itself, in other cases.

A proposal of appointment, re-election or removal of any non-independent Director in addition must be preceded by a report of the Appointment and Remuneration Committee.

The proposal in any event must attach a justifying report of the Board of Directors, which evaluates the competence, experience and merits of the proposed candidate, which will be attached to the minutes of the General Meeting or of the Board of Directors itself.

The provisions of this section also are applicable to individuals that are appointed as representatives of a Director that is a legal person. The proposal of the individual representative must be submitted to a report of the Appointment and Remuneration Committee.

4. GRUPO LOGISTA will provide necessary support to new Directors so that these may acquire swift and sufficient knowledge on the company as well as its corporate governance rules. Likewise, GRUPO LOGISTA may establish, if necessary, help programmes for Directors.

### **Article 23. Eligibility and Incompatibilities**

1. The Board of Directors and the Appointment and Remuneration Committee, within the scope of their competencies, shall endeavour to ensure that the candidates are selected from among persons of recognised solvency, competence and experience, and that have the necessary availability for the proper performance of their duties as Directors, and shall be particularly rigorous in choosing the persons to cover the posts of Independent Directors as provisioned in Article 7 of the Board Regulations.

In the case a Director is a legal entity, the requirements indicated will also be applicable to the individual representing the organisation, and, in addition, the Director duties set out in these Regulations will also be enforceable on a personal level.

2. Persons involved in prohibition or legal incompatibility processes may not be appointed as Directors of GRUPO LOGISTA. Moreover, the non-executive Directors of GRUPO LOGISTA may become part at the same time, and with the limitation provided by Law, of a maximum of nine boards of directors of listed companies other than GRUPO LOGISTA.

### **Article 24. Re-election of Directors**

1. The proposals for re-election of Directors that the Board of Directors decides to present to the General Shareholders' Meeting shall be subject to a formal procedure, which must necessarily include a report issued by the Appointment and Remuneration Committee in which the quality of work and dedication to the post of the proposed Directors during the preceding term of office is evaluated.
2. The Board of Directors shall endeavour to ensure that the non-executive Directors who are re-elected do not always remain assigned to the same Committee.

### **Article 25. Term of Office**

1. Directors shall remain in their posts for the maximum term of office stipulated in the By-Laws, and may be re-elected one or more times for periods of equal maximum length.
2. Directors appointed by co-option by the Board of Directors will remain in office for the term indicated in article 22.2 of these Regulations.

### **Article 26. Removal of Directors**

1. Directors shall leave their posts when the term for which they were appointed ends and when so decided at the General Shareholders' Meeting, or when the Board of Directors requests it pursuant to section 2 below, and shall cease in the use of the attributes accorded them by Law or by the By-Laws.
2. Directors must place their post at the disposal of the Board of Directors and formally resign as a Director, if the Board of Directors considers it appropriate based on the following counts:
  - a) When they are removed from the executive posts to which their appointment as Directors was associated;
  - b) When they are involved in any of the scenarios of incompatibility or prohibition envisaged by the Law;

- c) When Directors have performed acts that are contrary to the diligence with which they are obliged to perform their duties, infringed their duties and obligations as Directors;
  - d) When their presence on the Board could jeopardise the interests of GRUPO LOGISTA or cause serious damage to GRUPO LOGISTA's good name. In particular, Directors should inform the Board of any criminal charges brought against them and the progress of any subsequent trial;
  - e) The moment a Director is indicted or tried for any of the offences stated in Company legislation, the Board of Directors should open an investigation and, in light of the particular circumstances, decide whether or not he or she should be called on to resign. The Board should give a reasoned account of all such determinations in the Annual Corporate Governance Report.
  - f) When, a Director representing a significant shareholder notifies GRUPO LOGISTA, at any time, of the decision of the shareholder not to reappoint him at the end of his term, or when the significant shareholder transfers, all its shareholding in GRUPO LOGISTA. Additionally, if such shareholders reduce their stakes, thereby losing some of their entitlement to appoint Directors, the latter's number should be reduced accordingly.
3. The Board of Directors may only propose the removal of independent Directors before the expiry of their tenure as mandated by the by-laws, where they find just cause, based on a previous report from the Appointment and Remuneration Committee.

In particular, just cause will be presumed when Directors take up new posts or responsibilities that prevent them from allocating sufficient time to the work of a Board member, or cause them to be in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation. Such removal of independent Directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the Company's capital structure.

4. Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all members of the Board. Whether or not such resignation is disclosed as a material event, the motivating factors should be explained in the Annual Corporate Governance Report.

#### **Article 27. Debates and Voting**

In accordance with the provisions in article 34 of these Regulations, Directors concerned with any appointment, re-election or removal proposals will not intervene in debates and voting on those matters.

### **CHAPTER VII. DIRECTORS' RIGHT TO INFORMATION**

#### **Article 28. Information Faculty**

1. A Director has the duty to demand and the right to receive from GRUPO LOGISTA such appropriate and necessary information allowing the Director to fulfil its obligations. This right to information is extensible to all the companies of GRUPO LOGISTA Group, whether these are national or foreign.

2. With the aim of not disturbing the ordinary management of GRUPO LOGISTA, the exercise of information duties will be channelled through the Chairman, Managing Director or the Secretary of the Board of Directors, who will assist the Director's request providing the information directly, facilitating contacts with the relevant department in the organisation or deciding on the measures so that examination tasks may be performed in situ.

#### **Article 29. Help from Experts**

1. In order to be assisted in performing their duties, Directors may request that GRUPO LOGISTA hire the services of legal advisors, accountants, financial experts or others.

This commission must necessarily refer to specific problems of a certain significance and complexity which arise in the performance of their duties.

2. The decision to hire such experts must be reported to GRUPO LOGISTA's Chairman and may be rejected by the Board of Directors if there is evidence of the following:
  - a) it is not necessary for the correct performance of the duties commissioned to the Directors;
  - b) its cost is not reasonable in relation to the significance of the problem and GRUPO LOGISTA's assets and revenues,
  - c) the technical assistance which is sought may be adequately provided by GRUPO LOGISTA's own experts and technical professionals; or
  - d) there is a risk for preserving the confidentiality of the information that must be given to the expert.

### **CHAPTER VIII. DIRECTORS' COMPENSATION**

#### **Article 30. Directors' Compensation**

1. Directors' compensation should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands.
2. The compensation of a Director, in its capacity as such, is governed by the provisions of the By-Laws and the Policy on Compensation of Directors, approved by the General Meeting, at least, every three years, which necessarily must include, within the system of compensation contemplated in the By-Laws, the maximum amount of the annual compensation to be paid to Directors, in their capacities as such.

The determination of the compensation of each Director, in its capacity as such, corresponds to the Board of Directors. For this purpose the Board of Directors will take account of the functions and responsibilities given to each Director, the Director's membership on Board Committees, and the other objective circumstances deemed to be relevant.

3. Directors that perform executive functions within GRUPO LOGISTA, whatever the nature of the legal relationship therewith, and independently of the compensation corresponding to them by reason of their status as Directors, will be compensated in accordance with the



provisions of the By-Laws, and the Policy for Compensation of Directors, approved by the General Meeting, which necessarily must contemplate the amount of fixed annual compensation and changes therein over the period to which that Policy refers, the various parameters for establishment of variable components and the principal terms and conditions of their contracts, in particular covering the duration, indemnification for early removal or termination of the contractual relationship, and exclusivity, post-contractual noncompetition, minimum term of service or loyalty clauses.

The Board of Directors has authority to fix the compensation of the Directors for performance of their executive functions, and the terms and conditions of their contracts, in accordance with the provisions of the By-Laws and the Policy for Compensation of Directors, with the favourable vote of two-thirds of its members. The affected Executive Director must refrain from attendance, deliberation and participation in voting. The approved contract must be attached as an annex to the minutes of the meeting.

All categories in which compensation may be obtained by reason of the performance of executive functions must be specified in the contract. If applicable, this includes any indemnification for early termination from the position, within the limits, if any, established in the By-Laws, and amounts to be paid by GRUPO LOGISTA or a company in its Group as insurance premiums or contributions to saving systems.

The Board also will set the objectives associated with the short-term variable compensation of the executive Directors, as well as evaluate the degree of compliance with such objectives and with the criteria established in any long-term Variable Compensation Plans in which they may have been included.

4. The Board of Directors will ensure transparency in Directors' compensation and, to achieve the above, detailed information per Director will be provided in GRUPO LOGISTA's Annual Report. All compensation paid by GRUPO LOGISTA or by any other companies in GRUPO LOGISTA Group will be detailed, whether it was received in the capacity of Director, in the capacity of executive or, if applicable, any other capacity.
5. The Board of Directors shall approve the Annual Report of Compensation of Directors, in accordance with the relevant provisions, which will be submitted to a consultative vote of the Ordinary General Meeting, as a separate point on the Agenda.

### **Article 31. Non-Executive Directors' Compensation**

The Board of Directors and the Appointment and Remuneration Committee will adopt all such measures as are available to them to ensure that the compensation of the non-executive Directors is in accordance with the system established in the By-Laws, in the Policy for Compensation of Directors and the following guidelines:

- a) The non-executive Director should be remunerated depending on the number of hours effectively devoted to the post.
- b) The non-executive Director should be excluded from company pension plans for cases involving cessation, decease or any other circumstance, and Compensation consisting of the delivery of shares of GRUPO LOGISTA or of companies belonging to GRUPO LOGISTA Group, stock options, or instruments indexed to the value of shares, variable remuneration tied to GRUPO LOGISTA's performance or of the companies belonging to GRUPO LOGISTA Group.

- c) The amount of compensation to be received by the non-executive Director should be calculated in such a way that it offers incentives for dedication, but it is not an obstacle to his/her independence.

## **CHAPTER IX. DUTIES OF THE DIRECTOR**

### **Article 32. General Duties of the Director**

1. In accordance with the provisions of articles 5 and 6, the role of a Director is to guide and control management of GRUPO LOGISTA to the aims indicated in said precepts. The Directors must have appropriate dedication and will adopt the measures necessary for proper management and control of the Company.
2. A Director must exercise its position and fulfil the duties imposed by law and the By-Laws, with the diligence of an orderly businessman, taking account of the nature of the position and the functions that have been assigned thereto.
3. A Director must perform its duties with the loyalty of a faithful representative, acting in good faith and in the Company's best interests.

### **Article 33. Director's General Duty of Diligence**

1. In fulfilment of the general duty of diligence, a Director will be required to:
  - a) Be informed and prepare suitably for Board meetings as well as meetings of the delegated bodies or Committees he is a member of, in accordance with article 28 above;
  - b) Personally attend meetings of the bodies he is a member of and actively take part in debates with the aim of effectively contributing with his opinion to the decision-making process. If, for justified reasons, a Director cannot attend meetings that have been called, it should give proxies for representation and voting, in accordance with the provisions of article 20.1 above.
  - c) Develop any specific task the Board of Directors entrusts him with and which is reasonably included in the scope of his duties.
  - d) Encourage those people with the ability to summon meetings to call an extraordinary Board meeting or include the item in the agenda of the first meeting that they deem appropriate to be discussed by the Board.
  - e) Object to resolutions which contravene the Law, the By-Laws, the Regulation for the General Shareholders' Meeting and these Regulations and to request the record of his objection.
2. In the area of strategic and business decisions, which are subject to business discretion, the standard of care of a prudent businessman shall be deemed to have been met when a Director has acted in good faith, without a personal interest in the subject matter of the decision, with sufficient information and in accordance with an appropriate decision procedure.

Not included within the scope of business discretion are those decisions that personally affect other Directors and related persons, in particular those the purpose of which is to authorise the transactions contemplated in article 40 of these Regulations.

#### **Article 34. Director Duty of Loyalty**

1. In compliance with the duty of loyalty, Directors will be required to:
  - a) Refrain from using their powers for any purposes other than those for which they were granted;
  - b) Maintain secrecy regarding information, data, reports or background to which they have had access in performance of their duties, even when they have left office, except in circumstances permitted or required by law, or in the case of information disclosed to the markets or generally known.
  - c) Refrain from participating in deliberation or voting on resolutions or decisions in which they or related persons have a conflict of interest, direct or indirect, in particular the decisions of the Board of Directors related to approval of the transactions referred to in article 39 below. Excluded from this prohibition are the resolutions or decisions that affect the Director in its status as such, such as the Director's appointment or removal from positions on the Board of Directors or others of a comparable kind.
  - d) Perform their duties under the principle of personal responsibility, freely using their judgment or criteria and independence regarding third party instruments and relationships.
  - e) Adopt the necessary measures to avoid situations in which their interests, on their own behalf or on behalf of another, can be in conflict with the Company's interests and their duties to it. In particular, they must avoid the situations of conflict of interest referred to in articles 35 to 39, both included, of these Regulations.
2. The Director shall report to the Board of Directors any situations involving a direct or indirect conflict, either personally or through persons linked to him, with the interests of GRUPO LOGISTA or the companies in its Group.

The Director also should report any stakes held directly or indirectly and personally or by related persons in the share capital of a company with the same, similar or complementary activity that constitutes the corporate purpose, as well as positions or functions they discharge, as well as performing either personally or for another party similar or complementary activities, to the ones which constitutes the social purpose of GRUPO LOGISTA.

This information and the conflict situations, referred to in paragraph 1 above, shall be reported in the Report and in the Annual Corporate Governance Report.

#### **Article 35. Compensation from Third Parties**

A Director must refrain from obtaining benefits or compensation from third parties, other than the Company and its Group of companies, related to the performance of the Director's duties, except in the case of mere courtesies.

### **Article 36. Use of Corporate Assets**

A Director may not use corporate assets, including confidential information, of the Company or its Group of companies, for private purposes.

In addition, the Directors shall observe, in transactions carried out by them or on their behalf, the rules of conduct established in the legal provisions governing the securities markets and, specially, the rules stated in the GRUPO LOGISTA's Internal Regulations for Conduct in the Securities Market.

### **Article 37. Non-competition Clause**

1. A Director, or any person related thereto, must refrain from engaging in activities, on its own behalf or on behalf of others, that involve an effective competition, whether actual or potential, with GRUPO LOGISTA or companies in its Group, or that, in any other way, place the Director in permanent conflict with the interests of the Company.
2. The Director may not act in the capacity of Director or render professional services to other companies whose corporate aim is totally or partially analogous to the corporate aim of GRUPO LOGISTA. An exception is made for posts within GRUPO LOGISTA Group's companies, the posts the Director may have had prior to his appointment, and those which have been reported prior to his appointment or those cases in which the Board of Directors agrees otherwise.

The Director must advise the Appointment and Remuneration Committee before accepting any management post at another company or organisation.

3. A Director ending his term in office or who is removed from his duties for any reason may not render services for another organisation with a similar social object to GRUPO LOGISTA's object for a period of two years.

The Board of Directors, at its discretion, may waive this obligation for the outgoing director or shorten the term.

4. Notwithstanding any other provision of this Article 37, in respect of an External Director appointed to represent a significant shareholder, there shall be no restrictions on any actions, activities or rendering of services by that Director under paragraphs 1, 2 or 3 above where such actions, activities or services relate to that significant shareholder or any other member of its corporate group, all of that without prejudice of its obligation to abstain from voting in those cases where the directors in affected by a conflict of interest.

### **Article 38. Business Opportunities**

1. Directors may not use the name of GRUPO LOGISTA or their positions as Directors of GRUPO LOGISTA to unduly influence private transactions on their own account or on behalf of persons linked to them.
2. Directors may not take advantage, for themselves or for persons associated with them, of investments or any commercial transactions related to the assets of GRUPO LOGISTA, of which they have had knowledge by virtue of their posts as Directors, when the investment or commercial transaction has been offered to GRUPO LOGISTA or when GRUPO LOGISTA is interested in the transaction, provided that GRUPO LOGISTA has not rejected

the investment or commercial transaction in question without any input on the part of the Director.

For the purposes of the above paragraph, a business opportunity is understood to be any chance of undertaking an investment or commercial transaction which has arisen or been discovered in connection with the performance of the Director's duties, or by using means of information belonging to GRUPO LOGISTA, or in circumstances in which it is reasonable to believe that the offering of the third party was in fact addressed to GRUPO LOGISTA.

### **Article 39. Approval of Transactions with Directors and Significant Shareholders. Transparency**

1. The Board of Directors, except for such matters as are legally within the competence of the General Meeting, formally reserves the right to review and, if applicable, to approve, after a report from the Audit and Control Committee, the transactions, activities or actions indicated in this article and in articles 34 to 38 above, that a Director or persons related thereto, as well as the transactions that with the shareholders, individually or together with others, holding a significant interest in Grupo Logista, including shareholders represented on the Board of Directors of the Company or other companies that are a part of the same Group, or persons related thereto, intend to undertake with or by reference to the Company or a company in its Group.
2. To authorise, if necessary, such transactions, actions and activities, the Board of Directors first and foremost shall serve the interests of GRUPO LOGISTA, evaluating the transaction from the standpoint of equitable treatment of shareholders and market conditions.

The affected Directors, or those representing or related to the affected shareholders, must refrain from participating in deliberation and voting on the resolution in question.

3. No authorisation of the Board of Directors shall be required in connection with related party transactions that simultaneously satisfy the following three conditions: (i) that they are conducted under contracts whose terms and conditions are standardised and apply on an across-the-board basis to a high number of customers; (ii) that they are conducted at prices or rates established generally by the party acting as supplier of the goods or services in question; (iii) that the amount thereof does not exceed one per cent of the annual income of GRUPO LOGISTA.

In the case of ordinary transactions which do not require the approval of the Board, a general authorisation of the line of operations and its execution conditions shall be sufficient.

4. GRUPO LOGISTA shall report the related party transactions mentioned in this article, in the Annual Corporate Governance Report in the regulated financial information, and the notes to the financial statements, to the extent provided by Law.

### **Article 40. Authorisations and Waivers**

The Company may waive the prohibitions established in articles 34 to 38 above in these Regulations, in individual cases, authorising a Director or a related person to engage in a given transaction with the Company or a company in its Group, to use certain corporate assets, to take advantage of a specific business opportunity, or to obtain a benefit or compensation from a third party.

The authorisation necessarily must be resolved by the General Meeting when the purpose is waiver of the prohibition of obtaining a benefit or compensation from third parties, or involves a transaction the value of which is more than 10% of the corporate assets.

In other cases, the authorisation may be resolved by the Board of Directors, provided that the independence of the Directors granting it is assured, as regards the Director who granted the waiver. In addition, the innocuousness of the authorised transaction from the point of view of the corporate assets must be guaranteed or, if applicable, it must be guaranteed that it is undertaken on market terms in a transparent process.

The obligation not to compete with the Company may only be waived if no damage to the Company or companies in its Group is to be expected, or it is expected that there would be compensation for the benefits expected to be obtained from the waiver. The waiver will be granted by way of express and separate resolution of the General Meeting.

#### **Article 41. Indirect Operations, Activities and Actions Persons linked to the Director**

1. The provisions of articles 34 to 40 above and 42.1 also will apply if the beneficiary of the prohibited actions or activities is a person related to the Director.
2. For the purposes of the provisions of these Regulations, persons linked to the Directors are:
  - a) The Director's spouse or the person with whom he/she has a relationship based on mutual affection.
  - b) The ascendant and descendant relatives, as well as siblings of the Director or of the Director's spouse or partner.
  - c) The spouses or partners of the ascendant and descendant relatives, as well as those of the Director's siblings.
  - d) The companies in which the Director, either him/herself or through an intermediary, is in any of the situations envisaged in the first paragraph of Article 42 of the Code of Commerce.
3. As regards Directors who are legal entities, persons associated with the latter shall be understood to be the following:
  - a) Shareholders who, with respect to the Director who is a legal entity, fall into any of the situations envisaged in the first paragraph of article 42 of the Code of Commerce.
  - b) Legal or de facto Directors, receivers, and representatives with the general powers of the Director who is a legal entity.
  - c) Companies belonging to the same group and their shareholders.
  - d) Persons who, with respect to the representative of the Director who is a legal entity, are deemed to be associated with the Director in accordance with the provisions established in the previous paragraph.

#### **Article 42. Director Information Duties**

1. In addition to communications to GRUPO LOGISTA established in Article 34 above, the Director is obliged to report any shares in GRUPO LOGISTA, stock options or share price-based derivatives he may own, either directly or through companies he owns a significant stake in, as well as the amendments performed as a result of said stake and related rights, notwithstanding compliance with Securities Markets regulations. Likewise, the Director should also report other shares owned, directly or indirectly, by linked parties, as defined in the previous article, all of the above in agreement with the current legislation and the Internal Conduct Regulation of GRUPO LOGISTA, in matters relating to the Securities Markets.
2. The Director should also report all the posts developed and the activities performed for other Companies or institutions and, in general, any situation or fact which may impact his activities as a director of GRUPO LOGISTA.
3. Likewise, the Director should also report any significant changes in his professional situation, or those situations which affect the nature or condition by virtue of which he has been appointed a Director, those situations involving a conflict of interest, as well as any other matters or judicial, administrative or other proceedings instituted against him, which could seriously affect GRUPO LOGISTA's reputation due to their importance.

#### **Article 43. Scope of the Duties included in this Chapter**

The duties of loyalty established in this chapter will apply, in addition to Directors, to the individuals representing Directors that are legal persons, to the senior managers of GRUPO LOGISTA or companies in its Group. Likewise, the provisions of article 39 apply to transactions with the shareholders that, individually or together with others, are holders of a significant interest in GRUPO LOGISTA, to the transactions of the shareholders represented on the Board of Directors of the Company or other companies, and to the transactions of the persons related to such shareholders, understanding them to be the persons or companies having the relationship indicated in article 41 above with the shareholder.

### **CHAPTER X. BOARD RELATIONSHIPS**

#### **Article 44. Shareholder Relations**

1. The Board of Directors may deploy the adequate channels to understand shareholders' proposals in relation to GRUPO LOGISTA's management.
2. The Board of Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the Company and its Group.
3. The Board, through some of its Directors and with the collaboration of the chosen members of the senior management team, may organise informative meetings regarding the progress of GRUPO LOGISTA and GRUPO LOGISTA Group, for shareholders, in locations with significant financial markets in Spain and abroad. Additionally, the Board of Directors may also establish adequate mechanisms to exchange information regularly with institutional investors with ownership interests in GRUPO LOGISTA.

Under no circumstances shall relations between the Board of Directors and institutional shareholders translate into the delivery to the latter of any information which might place them in a privileged position or afford them some advantage with respect to the other shareholders.

4. The Board will promote participation through information of shareholders at General Shareholders' Meetings and it will facilitate the exercise of shareholder rights in accordance with the provisions of the Law, the By-Laws and the Regulation of the General Shareholders' Meeting.
5. During the Annual 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. In particular, the changes taking place since the previous Annual General Meeting, and the specific reasons for the Company not following a given Good Governance Code recommendation and any alternative procedures that follow in its stead should be made known.

#### **Article 45. Relations with Securities Markets**

1. The Board of Directors, pursuant to the principle of transparency that should govern the actions of GRUPO LOGISTA before the financial markets, will develop the appropriate means to ensure that GRUPO LOGISTA communicates all the relevant information for shareholders and investors, and that the relevant information is truthful, clear, complete and quantified, if by the nature of the information it has to.

Particularly, the Board of Directors will inform the public immediately in the case of:

- a) Relevant events likely to impact stock exchange prices significantly.
  - b) Changes in the structure of GRUPO LOGISTA, such as variations in significant stakes, and shareholder agreements, which have reached its knowledge.
  - c) Substantial amendments of GRUPO LOGISTA's governance rules.
  - d) The Treasury Stocks transactions, if any, that GRUPO LOGISTA intends to pursue on the basis of approvals obtained from the shareholders at the General Shareholders' Meeting.
2. The Board of Directors will take the necessary measures to ensure that financial information is periodically regulated and any other period which is legally required to make available to Securities Markets is drafted following the same principles, criteria and professional practices which the annual accounts are prepared with and that said information is as reliable as annual information.
  3. The Board of Directors will include information in its annual public documents on the Corporate governance rules of GRUPO LOGISTA and the degree of compliance with Corporate Governance rules and/or recommendations from the Spanish National Securities Market Committee and will inform the market on those points, through the instruments specified in the legislation, and without prejudice to the provisions of Article 44.5 above.



#### **Article 46. Relations with Auditors**

1. The Board's dealings with the Company's external auditors will be channelled through the Audit and Control Committee.
2. The Board of Directors will refrain from engaging any auditing firm whose projected fees, including all items, exceed five per cent of its total revenues during the previous financial year.
3. The Board of Directors will make public the total fees paid to the auditing firm for services other than auditing.

### **CHAPTER XI. CORPORATE REPORTING**

#### **Article 47. Annual Corporate Governance Report**

1. The Board of Directors shall, on an annual basis and following a proposal from the Audit and Control Committee, approve a corporate governance report for GRUPO LOGISTA that shall include all specifications established by Law and any others that the Board of Directors deems appropriate to include therein.
2. The Annual Corporate Governance Report of GRUPO LOGISTA shall be included in a separate section of the Management Report and shall therefore be approved together therewith and shall be made available to the shareholders together with the other documents relating to the Annual General Shareholders' Meeting.
3. The content and the public notice of the Annual Corporate Governance Report of GRUPO LOGISTA shall be given as provided in securities market rules and corporate regulations.

#### **Article 48. Annual Report on Compensation of Directors**

1. The Board of Directors, on proposal of the Appointment and Remuneration Committee, annually will prepare, approve and publish a report on remuneration of Directors of the Company, with the content and format contemplated in applicable regulations, and will submit it to vote, on an advisory basis, of the Ordinary General Shareholders Meeting, as a separate point on the agenda thereof.
2. The annual report on remuneration of Directors will be published as contemplated in the regulations of the Securities Market.

#### **Article 49. Corporate Website**

1. GRUPO LOGISTA shall create and maintain a corporate website which will be approved by the General Shareholders Meeting and shall be registered in GRUPO LOGISTA page in the Mercantile Registry and shall be disclosed in the Official Mercantile Registry Gazette, to accommodate the exercise by the shareholders of their right to receive information and to disseminate the information required by applicable legislation, in particular all relevant information required by Securities Market Laws.

Additionally, the corporate Website shall include the minimum documents and information provided for by applicable Law, including information and documentation regarding the call

to General Shareholders' Meetings and any other documentation and information that the Board of Directors, through its Secretary, deems appropriate to make available to the shareholders by such means. With regard to the Directors, the Company should disclose and keep them regularly updated with information related to (i) Background and professional experience; (ii) directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature; (iii) statement of the director class to which they belong, in the case of Directors representing significant shareholders, indicating the shareholder they represent or have links with; (iv) dates of their first appointment as a Board member and subsequent re-elections; and (v) Shares held in the Company, and any options on the same.

2. The Board of Directors shall decide the information that is to be posted on GRUPO LOGISTA's corporate website to comply with the obligations imposed by applicable laws and regulations, and shall be responsible for the update thereof on the terms set forth by applicable law. The Secretary of the Board of Directors shall supervise the exercise of such power, reporting to the Board of Directors on its performance.
3. The decision to create, amend or to move the website shall be registered in the GRUPO LOGISTA's page in the Mercantile Registry and shall be published in the Official Mercantile Registry Gazette as well as in the website amended or relocated for 30 days after insertion of the resolution.