

**ANNUAL REPORT ON THE REMUNERATION OF DIRECTORS
OF LISTED PUBLIC LIABILITY COMPANIES**

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Company Name: INMOBILIARIA COLONIAL, SOCIMI, S.A.

Registered Office: PASEO DE LA CASTELLANA, 52, 28046 MADRID

**ANNUAL REPORT ON REMUNERATION OF
DIRECTORS OF LISTED PUBLIC LIABILITY COMPANIES**

A. REMUNERATION POLICY OF THE COMPANY FOR THE YEAR IN PROGRESS

- A.1 Explain the current policy for the remuneration of directors applicable to the year in progress. Where relevant, certain information may be stated in relation to the remuneration policy approved by the General Meeting of Shareholders, provided the addition is clear, specific and concrete.

There must be a description of any specific determinations for the year in progress, of the remuneration of directors in their capacity as such and for their performance of executive functions by the Board pursuant to the provisions of the contracts signed with executive directors and with the remuneration policy approved by the General Meeting of Shareholders.

The following aspects, at least, must be reported in any case:

- Description of the procedures and bodies of the company involved in determining and adopting the Remuneration Policy and its conditions.
- State and, where appropriate, explain whether consideration have been given to comparable companies for the purposes of establishing the company's remuneration policy.
- Information as to whether an external advisor was involved and, should this be the case, the identity of the advisor.

The remuneration policy of the directors (the “**remuneration policy**” of Inmobiliaria Colonial, SOCIMI, S.A. (The “**Company**” or “**Colonial**”) is aimed at promoting profitability for Colonial and its Shareholders, the long-term sustainability of the Company and including the necessary precautions to discourage excessive risks and rewards for unfavourable results. It also aims to compensate the work of the Company directors in achieving that purpose, while always maintaining a proportional relationship to professional performance without mainly basing itself on the general performance of the markets or the sector in which Colonial operates or on other similar circumstances. Likewise, the primary objective of the Company is for the remuneration received by the directors of Colonial to be in reasonable proportion to the Company's importance, its economic position at all times and the market standards of comparable companies in Spain and abroad.

The General Meeting approves at least every 3 years, as a separate item on the agenda, a Remuneration Policy in keeping with the remuneration system provided for in the Company Bylaws. The Ordinary General Meeting of 14 June 2019 approved the Remuneration Policy for the years 2020, 2021 and 2022.

The Remuneration Policy establishes the remuneration items that make up the remuneration of the directors in their capacity as such, within the remuneration system provided for in the Company Bylaws, and includes the maximum amount of annual remuneration for all Colonial's directors for their membership of the Company's Board of Directors and its committees. On the basis of the foregoing, the Board of Directors is responsible for determining the remuneration to be paid to each one. To this end, consideration is given to the level of dedication and the functions and responsibilities attributed individually, their membership of Board committees, and any other objective circumstances that could be relevant.

The annual remuneration established in the Remuneration Policy takes into account the level of responsibility of the directors (in particular, executive directors), ensuring that it is competitive with the remuneration at other comparable companies based on their capitalisation, size and international presence, following examination and analysis of these factors for the purposes of determining Colonial's Remuneration Policy. To determine such remuneration, the proposed remuneration policy submitted to

the Board by the Appointments and Remuneration Committee (the “**ARC**”) considered the specific characteristics of each position and level of responsibility and dedication required.

Unlike non-executive directors, executive directors of Colonial do not receive any specific remuneration for their membership of the Company’s Board of Directors or of its committees, and these functions are included in items of fixed remuneration established for them in their respective contracts.

In addition, the remuneration of executive directors under their contracts is consistent with the Remuneration Policy, which provides for (i) the amount of fixed annual remuneration and changes thereof in the period to which the policy relates, (ii) the various parameters for setting the variable components and (iii) the principal terms and conditions of their contracts, including, in particular, the term, early termination benefits or cessation of the contractual relationship and exclusivity, post-contractual non-competition and long-service or loyalty agreements. The Board of Directors sets the remuneration of directors for the discharge of executive functions and the terms and conditions of their contracts with the Company in accordance with the Law and with the Remuneration Policy.

Likewise, on 21 January 2014, the General Meeting approved the establishment of a remuneration system including the delivery of shares to executive directors and members of the Management Committee, subject to compliance with certain parameters. This system is in force until 2021.

Currently, only executive directors receive variable remuneration based on the discharge of their duties.

The Regulations of the Board of Directors provide that directors, committees and their members may request external advice on matters where they deem it necessary. In this regard, during the 2019 financial year, Spencer Stuart and Headway have provided advice.

The specific determinations for directors in their capacity as such applicable to the year in progress are set out below in this section A.1. During the year in progress, the executive directors will receive the corresponding amounts by virtue of their contracts, as shown below in this section A.1.

- Relative importance of items of variable remuneration with respect to the fixed items (remuneration mix) and the criteria and objectives taken into account to determine them and to guarantee a proper balance between the fixed and variable components of remuneration. In particular, indicate the action taken by the company in relation to the remuneration system to reduce exposure to excessive risks and adjust it to the company’s long-term objectives, values and interests, including, where appropriate, a reference to measures in place to ensure that the remuneration policy is based on the company’s long-term results, measures taken in relation to personnel categories whose professional activities have a material impact on the company’s risk profile, and measures in place to prevent conflicts of interest, if any.

Likewise, indicate whether the company has established a period for accrual or consolidation of certain items of variable remuneration, a deferral period for the payment of certain amounts or the delivery of financial instruments already accrued and consolidated, or whether a clause has been agreed which reduces deferred remuneration or obliges the director to return any remuneration received, when the remuneration has been based on data subsequently shown to be manifestly inaccurate.

Executive Directors, that is, the Chairman and the CEO, who is also the Executive Vice President (hereinafter the “**CEO**”), may receive, by way of annual variable remuneration, an amount of up to 100% of the annual fixed remuneration of each Director.

In this regard, and aiming for the appropriate balance between fixed and variable items in the remuneration, the Board of Directors, following the ARC’s proposal, determines the amount of the variable remuneration every year, always depending on the performance of the quantitative and qualitative targets (which are specified hereafter in section A.1) and ensuring that the variable remuneration does not exceed 100% of the total fixed remuneration.

In exceptional circumstances, executive directors may also receive an additional variable remuneration each year, the maximum amount of which may be up to 200% of their annual fixed remuneration. This additional variable remuneration may be agreed in exchange for the participation of each of the executive directors in corporate transactions of acquisition, investment, restructuring or any other transaction or action that, due to its nature, complexity, amount and results, may generate significant added value for shareholders or give rise to an economic benefit or a significant increase in equity to strengthen the sustainability of the Company. The Board of Directors, at the proposal of the ARC, shall agree, where appropriate, and set the amount and settlement date of this additional variable remuneration for each of the executive directors, in accordance with the criteria set out in this section A.1 below.

Pursuant to the contracts drawn up between the executive directors and the Company, Colonial's Board of Directors may claim a total or partial refund of any amounts that executive directors may have received by way of variable remuneration, when this remuneration has been paid on the basis of data subsequently shown to be manifestly inaccurate.

In addition to the annual variable remuneration and, if any, the additional variable remuneration, the Chairman and the CEO are beneficiaries of the share delivery plan, which was approved by Colonial's General Meeting of Shareholders on 21 January 2014, and the term of which was extended to the year 2021 in a resolution by Colonial's General Meeting of Shareholders on 29 June 2017 (the "**Plan**"), which establishes a series of objective criteria on the performance of the Company to determine the specific number of shares to be delivered, such as the net cash flow from the Company's operations obtained annually and changes in the Net Asset Value of the Company's shares that occur each year.

The shares received through execution of the Plan may not be disposed of or transferred by the beneficiaries of the Plan until 3 years have elapsed from the date of delivery, with the exception of those necessary for the payment of taxes arising from their accrual.

The Company considers that it does not have any employees whose professional activities have a material impact on the Company's risk profile.

Finally, non-executive directors do not receive any remuneration referencing the listing value of the shares or implying the delivery of shares or option rights to Company shares.

- The amount and nature of any fixed components expected to accrue in the course of the year to directors in their capacity as such.

Pursuant to the Remuneration Policy applicable to the current year, the maximum amount of annual remuneration for all directors in their capacity as such is €2,280,000. Colonial's Board of Directors, therefore, determined the following distribution applicable to the year in progress:

- Directors are entitled to a fixed annual amount of €50,000.
- The lead independent director is entitled to an additional fixed amount of €75,000.
- Directors are entitled to the sum of €5,000 as attendance fees for each meeting of the Board of Directors they attend.
- Members of the Executive Committee are entitled to the sum of €3,000 as attendance fees for each meeting of the Executive Committee they attend.
- The Chairman of the Audit and Control Committee (the "ACC") and the Chairman of the ARC are each entitled to an additional fixed annual amount of €50,000.
- The other members of the ACC and the ARC are each entitled to an additional fixed annual amount of €25,000.
- The Chairman of the ACC and the Chairman of the ARC are each entitled to the sum of €4,800 as attendance fees for each meeting of the ACC and ARC they respectively attend.
- The other members of the ACC and the ARC are each entitled to the sum of €3,000 as attendance fees for each meeting of the ACC and ARC they respectively attend.

Executive directors do not receive any remuneration for their membership to the Board of Directors or to its committees; nor do they receive any annual fixed amounts, or attendance fees for meetings of the Board of Directors and committees.

- The amount and nature of the fixed components that will be accrued during the year for the performance of senior management functions by executive directors.

The Remuneration Policy stipulates a fixed annual remuneration of €571,726 for the Chairman and €665,282 for the CEO. These amounts compensate all the functions carried out by executive directors at Colonial and its group companies, except for the remuneration paid to the directors of *Société Foncière Lyonnaise*, and are increased automatically each year through the application of the CPI index published by Spain's National Statistics Institute ("INE") for the preceding calendar year. In this regard, pursuant to the annual update of these amounts, for the year in progress, the fixed components of the remuneration of executive directors have been established as the sum of €576,300 for the Chairman and the sum of €670,604 for the CEO.

- The amount and nature of any component of cash remuneration that will be accrued in the course of the year, including but not limited to insurance premiums paid on behalf of the director.

Colonial has taken out a collective civil liability insurance policy that covers liability for the acts and conduct of the members of the Board of Directors (executives and non-executives) and directors of the Company, as a result of the performance of the activities inherent to their duties, as well as any losses caused in cybersecurity attacks or failures. The cost of this insurance policy is not included in the maximum amount of annual remuneration for all directors in their capacity as such. The amount of the collective civil liability insurance policy is expected to be €241,159 in the current year.

In addition, the Company pays the CEO other payments in kind for the use of a vehicle, family health, disability and accident insurance and life insurance. It is expected that, in the current financial year, the amount of these payments in kind will be €46,277.

- The amount and nature of the variable components, with a distinction made between those established in the short term and in the long term. Financial and non-financial

parameters, the latter including social, environmental and climate change parameters, selected to determine variable remuneration for the year in progress, explanation of the extent to which these parameters bear a relation to performances of the director and also of the company and its risk profile, and the methodology, necessary timeline and techniques in place for the purposes of determining, at year-end, the level of compliance with the parameters used to draw up variable remuneration.

State the range in monetary terms of the different variable components depending on the level of compliance with the objectives and parameters established, and whether there is any maximum monetary amount in absolute terms exists.

Executive Directors may receive, by way of annual variable remuneration, an amount of up to 100% of the annual fixed remuneration of each Director.

Within the framework of the Remuneration Policy applicable for the year 2020, the Board of Directors, at the proposal of the ARC, will determine the variable remuneration corresponding to the executive directors for the current year that may be up to 100% of the fixed remuneration. The variable remuneration will be determined based on the quantitative and qualitative targets, where the former make up 70% of the variable remuneration and the qualitative targets make up the remaining 30%. In particular, and with respect to the quantitative targets, the parameters to be taken into consideration include earnings on rentals, the EBITDA, the profit per share value, the financial policy of the Company and the creation of value for Shareholders. Likewise, for the determination of the ordinary variable remuneration, the made investments and divestments will also be taken into account. Other qualitative parameters which will also be considered include the result of the evaluation of the performance of their functions, the promotion of ESG (Environmental, Social and Governance) and compliance with corporate social responsibility policies.

In exceptional circumstances, executive directors may also receive an additional variable remuneration each year, the maximum amount of which may be up to 200% of their annual fixed remuneration. This additional variable remuneration may be agreed in exchange for the participation of each executive Director in corporate transactions involving acquisitions, investments, restructuring or any other transactions or actions that, due to its nature, complexity, amount and results, may create significant added value for Company Shareholders or give rise to an economic benefit or a significant increase in equity to strengthen Colonial's sustainability.

In any case, the parameters stipulated in relation to ordinary and extraordinary variable remuneration will be linked to the level of compliance with the parameters, in due consideration of the performance of executive directors with respect to the level of compliance with the targets/budgets agreed on an annual basis, the intended investment, increases in Colonial's NAV and trends in the share price.

Furthermore, both the Chairman and the CEO are beneficiaries of the Plan, the most relevant aspects of which are indicated below:

- *Description:* delivery of ordinary Colonial shares to beneficiaries depending on the annual achievement of certain indicators and on the beneficiaries being executive directors or having a commercial or employment relationship with the Company or its group on the dates of delivery of the shares.
- *Beneficiaries:* The Chairman, the CEO and the members of the company's Management Committee at any given time, including senior officers.
- *Determination of the number of shares:* The Chairman of the Board and the CEO, based on the fulfilment of certain requirements, are entitled to receive each year a maximum of 48,837 and 126,977 shares, respectively. However, the maximum number of shares to be received indicated for each of them may be increased by a maximum of 25%, depending on whether certain conditions are met.
- *Conditioning factors:* The number of shares to be allocated to beneficiaries will be subject to the achievement of certain conditions tied to the Company's performance. In this regard, on 13 May 2014, Colonial's Board of Directors specified the following as conditioning factors:

- If the net cash flow of operations of the Company obtained annually (the "NCF") is between 95% and 105% with respect to the last business plan approved by the Board of Directors (the "Business Plan"), 100% of the number of shares envisaged will be accrued.
- If the NCF exceeds the provisions of the Business Plan by more than 5%, the maximum number of shares that could be received in that year will increase by 1.5% for each percentage point increase of the NCF above 105%, up to a new maximum number of shares equivalent to 125% of the number of shares envisaged.
- If the NCF is lower than the provisions of the Business Plan by up to 25%, the maximum number of shares that could be received in that year will decrease by 1.5% for each percentage point decrease of the NCF below 95%.
- If the NCF is lower than the provisions of the Business Plan by more than 25%, no portion of the number of shares envisaged will be accrued.

Likewise, the number of shares to be delivered based on the stipulated calculations will be reduced by 25% every year if the Net Asset Value ("NAV") of Colonial shares does not show a yearly 4% growth during the Plan. The yearly NAV target will be calculated by increasing the data from the previous year by 4%.

The NCF and the NAV will be applied on a "per share" basis.

- *Term and delivery:* The Plan will be in force until 2021. The Board of Directors, following a report by the ARC, will approve the annual settlement and determine the number of shares that correspond to each of the beneficiaries based on achievement of the previous year's indicators. The shares will be delivered between 15 and 30 April of each year and may not be sold or transferred until 3 years have elapsed since delivery, except to cater for the taxes arising from accrual thereof.

The delivery of the shares will include a final adjustment, such that the equivalent monetary value of the delivered share does not exceed 150% of the average share price in November 2013.

In any case, should a resolution be adopted with a material negative impact on Colonial shares or that may result in a different number of outstanding shares, the Board of Directors will perform the necessary adjustments, for the calculation, to maintain the equivalence of the benefits under the Plan.

The Plan will be settled early in the event that a substantial liquidity event takes place, as defined in the resolution of the General Meeting of 21 January 2014.

If, during the term of the Plan, the Chairman or CEO are unfairly dismissed, the General Meeting does not extend their mandate or they are dismissed from their positions without just cause, they will be entitled to an early settlement of the Plan, and the shares pending settlement will be delivered. Beneficiaries will lose their right to the delivery of shares and rights to the shares granted in the event of justified dismissal, termination with just cause or if they resign of their own accord, and in the event of a breach of contract in respect of confidentiality, a ban on offers of services or competition.

- Main characteristics of long-term savings schemes. Among other information, the contingencies covered by the system will be stated, whether these are defined-contribution or defined-benefit, any annual contributions that must be made for defined-contribution systems, any benefits to which beneficiaries may be entitled in the case of defined-benefit systems, the conditions for the consolidation of economic rights in favour of directors and their compatibility with any kind of payment or compensation for termination or early departure, or that arises from cessation of the contractual relationship, in the terms stipulated, between the company and the director.

It must be stipulated whether the accrual or consolidation of any long-term savings plans are linked to the achievement of certain objectives or parameters relating to the short-term and long-term performance of the director.

The Chairman and the CEO of Colonial are the beneficiaries of a defined-contribution welfare scheme covering the contingencies of retirement, disability and death.

In 2019, the annual contributions to this welfare system were established as €77,963 for the Chairman and €103,950 for the CEO. These amounts are increased automatically each year through application of the CPI index published by Spain's National Statistics Institute ("INE") for the preceding calendar year. In this regard, the annual contributions for the year in progress will be 78,586 euros for the Chairman and 104,782 euros for the CEO.

The employee welfare system of executive directors recognises the vesting of economic rights in the event of stepping down or termination of the professional relationship prior to the occurrence of the contingencies covered, unless such stepping down or termination occurs when just cause is found. Furthermore, these long-term savings schemes are compatible with any severance packages that may be applicable.

- Any type of payment or compensation for termination or early departure, or that arises from cessation of the contractual relationship, in the terms stipulated, between the company and the director, whether departure is at the behest of the company or is the wish of the director, and any kind of agreement, such as an exclusivity, post-contractual non-competition and long-service or loyalty agreement, entitling the director to any kind of remuneration.

The Chairman and the CEO are entitled to additional special payment by way of compensation in the event of non-justifiable removal or non-renewal of their terms, or a substantial reduction of their respective functions. The compensation will also accrue in the event that they waive or resign from their posts as a result of a loss of control at the Company or a major change in the membership of the Board of Directors, and in the event of an amendment to the conditions agreed in their contracts without their consent, among other scenarios.

In this regard, the Chairman and the CEO are entitled to receive from the Company, by way of compensation for termination of their respective contracts, a gross sum equivalent to 2 years' fixed and variable remuneration, in the minimum amounts of €1,650,000 and €1,920,000, respectively. These amounts will be increased automatically each year through the application of the CPI index published by Spain's National Statistics Institute ("INE") for the preceding calendar year. For the purposes of calculating this compensation, consideration will be given to the average of the amounts received in respect of fixed and variable remuneration in the last 2 years, excluding any amounts that may have been received by the Chairman and the CEO, respectively, as additional variable remuneration, and any amount that might accrue in their favour from the Plan.

The Plan also stipulates that if the beneficiaries are unfairly dismissed during the term of the Plan, where the General Meeting does not extend the term of the Chairman or CEO or where they are dismissed from their positions without just cause or they legally retire (including agreed early retirement), they will be entitled to an early settlement of the Plan and delivery of the maximum number of shares that would have accrued in the year of termination, non-renewal of the mandate, unfair dismissal or legal retirement, as well as the maximum number of shares that could accrue during the remaining years of the Plan's effectiveness until expiry thereof. The Board of Directors will also agree on early settlement of the Plan, and the maximum number of shares pending will be delivered to each of the executive directors in the event of a "substantial liquidity event", which would arise (i) if a takeover bid is authorised in order to acquire all the share capital of Colonial, or (ii) in the event of a significant refinancing of existing debt. In the latter case, the early settlement of the Plan is subject to ratification by the ARC.

There are no other agreements drawn up with the directors of Colonial, such as exclusivity, post-contractual non-competition and long-service or loyalty agreements, entitling directors to any kind of remuneration.

- Indicate the conditions to be met in the contracts of executive directors who discharge senior management functions. The term, limits on the amounts of termination benefits, long-service terms, notice periods, and payment as substitution for notice periods, and any other clauses covering hiring bonuses, compensations or golden parachutes for early termination or cessation of the contractual relationship between the Company and the executive director will be reported, among others. Include, inter alia, any covenants or agreements not to compete and exclusivity, long-service or loyalty and post-contractual non-competition agreements, unless these have been explained in the preceding section.

The contracts arranged with the executive directors determine their related remuneration, economic rights and rewards, which include the items included in the Company Bylaws and described in this report. At the present time, the essential terms and conditions of the contracts of the Chairman and the CEO are as set out below.

- *Term:* For both the Chairman and the CEO it has been stipulated that the term of the contract will be subject to the term of their respective posts. If the appointment of the Chairman of the Board of Directors and/or CEO is renewed, their respective contracts will be understood to have been automatically renewed for the period relating to such renewal of office, unless the Board of Directors resolves otherwise, in which case a new contract must be approved.
- *Limits on the amounts of compensation:* the compensation paid to the Chairman of the Board and the CEO may not exceed the gross amount equivalent to two years' fixed and variable remuneration, respectively, with a minimum limit of 1,650,000 euros for the Chairman and 1,920,000 euros for the CEO, with these amounts being increased automatically each year by applying the CPI for the previous calendar year. For the purposes of calculating this compensation, consideration will be given to the average of the amounts received in respect of fixed and variable remuneration in the last 2 years, excluding any amounts that may have been received by the Chairman and the CEO, respectively, as additional variable remuneration, and any amount that might accrue in their favour from the Plan.
- *Clauses concerning compensations or golden parachutes for early termination or cessation of the contractual relationship between the Company and the executive director:* in the event of a change of control at the Company, a significant change in the composition of the Board of Directors or a substantial amendment to the terms and conditions agreed in their employment contracts without their consent, there will be a 3-month period, as from the effective date of these resolutions or changes, to notify the Board of Directors in writing of their resignation or waiver, as Chairman of the Board of Directors or CEO, in which case they will be entitled to the compensation stipulated in the preceding point. For the purposes of applying the foregoing, the effective date of the change of control or substantial change in the composition of the Board of Directors will be understood as the date on which such circumstances are published as a regulatory announcement on the CNMV website. In the event the Board of Directors resolves to substantially reduce the duties of the Chairman of the Board of Directors or CEO or amend the terms and conditions agreed in their contracts without their consent, the effective date shall be that on which the concerned party receives due notice of the resolution.
- *Compensation for termination of the contractual relationship:* Executive directors will be entitled to the compensation stipulated in the preceding point.
- *Non-competition agreements, exclusivity, long-service or loyalty and post-contractual non-competition agreements:* The contracts of the Chairman and the CEO include non-competition or exclusivity agreements, and they may not engage in any other employment activity, business or professional task similar to that carried out by Colonial, with the exception of (i) group companies or companies in which Colonial has an interest, or in which any other company has an interest, provided the consent of the Board is forthcoming, and (ii) teaching activities, attendance of conferences and forums, administration of personal assets and responsibilities in family companies and non-profitmaking organisations. The contracts do not include any provisions concerning post-contractual non-competition, long service or loyalty.

- The nature and estimated amount of any other additional remuneration that will be accrued by directors during the year in progress by way of a consideration for services provided other than those inherent to their posts.

No other additional remuneration is expected to be accrued during the year in progress by Colonial's directors for services provided other than those inherent to their posts.

- Other items of remuneration such as any arising from provision for the director by the company of advances, credits and guarantees and other remuneration.

There are no plans for the accrual of remuneration during the year in progress by Colonial's directors arising from provision of advances, credits or guarantees, since no remuneration is expected to be paid to directors in this regard.

- The nature and estimated amount of any other additional remuneration not included in the preceding sections, whether this is paid by the company or by another group company, that will be accrued by the directors during the year in progress.

During the year in progress, directors of Colonial who are also members of the management bodies of other group companies (especially Société Foncière Lyonnaise) are expected to accrue an approximate collective sum of 572,000 euros in this regard.

With the exception of the preceding paragraph, no other additional remuneration not included in the sections above is expected to be accrued during the year in progress by Colonial's directors.

A.2 Explain any relevant changes in the remuneration policy applicable during the year in progress arising from:

- A new policy or an amendment to the policy already approved by the General Meeting.
- Relevant changes in the specific determinations established by the Board for the year in progress in the current remuneration policy with respect to those applied during the previous year.
- Any proposals that the Board of Directors agreed to present to the General Meeting of Shareholders to which this annual report will be submitted, proposing that they should apply to the year in progress.

The General Meeting approves at least every 3 years, as a separate item on the agenda, a Remuneration Policy in keeping with the remuneration system provided for in the Company Bylaws. In this regard, the Ordinary General Meeting of 14 June 2019 approved a new Remuneration Policy, which will remain in place until the year 2022.

The new remuneration policy follows the same lines as the remuneration policy established for Colonial's Directors for 2017, 2018 and 2019 and adheres to the remuneration system stipulated in Article 30 of Colonial's Bylaws. The remuneration stipulated for the Company's Directors in the remuneration policy is the same as in Colonial's Directors' remuneration policy for 2017, 2018 and 2019.

A.3 Identify the direct link to the document setting out the company's current remuneration policy, which must be available on the company's website.

https://www.inmocolonial.com/sites/default/files/docs/20_col_jgo_2019_informe_cnr_sobre_politica_r_emuneraciones_2020_2021_y_2022.pdf

- A.4 Explain, in due consideration of the data supplied in section B.4, how account was taken of the voting of Shareholders at the General Meeting to which the annual remuneration report for the previous year was submitted to a vote on an advisory basis.

Since the annual report on the remuneration of the directors of Colonial for the year 2018 was approved at the Ordinary General Meeting of Shareholders of the Company by a comfortable majority (70.72% of the votes cast), no particular measures have been taken in this regard.

B. OVERVIEW OF THE APPLICATION OF THE REMUNERATION POLICY IN THE COURSE OF THE PREVIOUS YEAR

- B.1 Explain the process carried out to apply the remuneration policy and determine the individual remuneration set out in section C of this report. This information will include the role played by the Remuneration Committee, the decisions taken by the Board of Directors and, as the case may be, the identity and the role of any external advisors whose services may have been used in the process of application of the remuneration policy in the course of the previous year.

Pursuant to the provisions of the Remuneration Policy, Colonial's Board of Directors determined, following a proposal by the ARC, the following distribution of fixed remuneration applicable to directors in their capacity as such, which was also applicable to the year 2019:

- Directors are entitled to a fixed annual amount of €50,000.
- The lead independent director is entitled to an additional fixed amount of €75,000.
- Directors are entitled to a 3,000 euro attendance fee for each meeting of the Board of Directors they attend, although with effect from 14 June 2019 the attendance fees for each meeting of the Board of Directors were set at 5,000 euros by the Board of Directors by virtue of the attributions that correspond to it and without exceeding the maximum amount of the annual remuneration for all the directors included in the Remuneration Policy.
- Members of the Executive Committee are entitled to the sum of €3,000 as attendance fees for each meeting of the Executive Committee they attend.
- The Chairman of the ACC and the Chairman of the ARC are each entitled to an additional fixed annual amount of €50,000.
- The other members of the ACC and the ARC are each entitled to an additional fixed annual amount of €25,000.
- The Chairman of the ACC and the Chairman of the ARC are each entitled to the sum of €4,800 as attendance fees for each meeting of the ACC and ARC they respectively attend.
- The other members of the ACC and the ARC are each entitled to the sum of €3,000 as attendance fees for each meeting of the ACC and ARC they respectively attend.

Executive directors do not receive any of the aforementioned remuneration for their membership to the Board of Directors or to its committees; nor do they receive any annual fixed amounts, or attendance fees for meetings of the Board of Directors and committees. In this regard, the Chairman and the CEO received the fixed remuneration established in their respective contracts, as well as the variable remuneration determined by the Board of Directors, at the proposal of the ARC, which was determined by taking into account the dedication and professional excellence, the degree of compliance with the annual budget objectives, the investment objectives or level of property occupancy, among others, indicated in section B.7 above, as well as the result of the evaluation of the performance of the duties that are specific to each of the non-executive directors. In this regard, the ARC of the Company agreed to submit to the Board of Directors of Colonial, in its meeting of 26th February 2020, the ordinary variable remuneration in favour of the Chairman and the CEO, with the Board of Directors adopting the specific amount of that variable remuneration to be received by the Chairman and the CEO, which is included in section C below.

The Regulations of the Board of Directors provide that directors, committees and their members may request external advice on matters where they deem it necessary. In this regard, during the 2019 financial

year, Spencer Stuart has advised on the internal evaluation of the Board of Directors, Chairman, CEO, Independent Lead Director and Secretary, as well as its committees.

- B.2 Indicate the action taken by the company in relation to the remuneration system and how it has helped reduce exposure to excessive risks and adjust it to the company's long-term objectives, values and interests, including a reference to the measures adopted to ensure that the remuneration accrued has been based on the company's long-term results and has secured a proper balance between the fixed and variable components of remuneration, what measures have been taken in relation to personnel categories whose professional activities have a material impact on the company's risk profile, and what measures have been adopted to prevent conflicts of interest, if any.

In order to ensure that Colonial's remuneration system is aligned with the Company's long-term objectives, values and interests, the Plan establishes a number of conditions that must be taken into account to determine the number of shares to be delivered to Colonial's executive directors in their status as beneficiaries. These conditions are linked to Colonial's performance and are, among others, the net cash flow of Company operations during the year or the annual changes to the Company's *Net Asset Value*.

On the other hand, besides the Plan of which the Chairman and the CEO are beneficiaries, they may also receive an annual variable remuneration. Regarding such variable remuneration, the Company seeks a proper balance between the fixed and variable components of executive directors' remuneration. In this regard, the Remuneration Policy establishes the criteria to maintain the proper balance between these components, establishing variable remuneration as a maximum percentage of 100% of the total amount of fixed remuneration. Their variable remuneration is subject to parameters of a personal nature, such as professional dedication or excellence, or of an economic or budgetary nature, the degree of achievement of the targets of the annual budget, investment or property occupancy targets and the performance of specific duties, oversight of corporate governance and the contribution to improving Colonial's corporate reputation.

In the event of fulfilment of the exceptional conditions stipulated in this paragraph, executive directors may also receive additional variable remuneration each year, the maximum amount of which may be up to 200% of their annual fixed remuneration. This additional variable remuneration may be agreed in exchange for the participation of each executive Director in corporate transactions involving acquisitions, investments, restructuring or any other transactions or actions that, due to its nature, complexity, amount and results, may create significant added value for Company Shareholders or give rise to an economic benefit or a significant increase in equity to strengthen Colonial's sustainability.

The Company considers that it does not have any employees whose professional activities have a material impact on the Company's risk profile, and thus no specific measures have been adopted in this regard.

Likewise, pursuant to the provisions of the Remuneration Policy, the contracts of the Chairman and of the CEO contain so-called "clawback" clauses that permit Colonial to claim, in certain circumstances, a total or partial refund of the sums received by way of variable remuneration.

- B.3 Explain how the remuneration accrued during the year meets the provisions of the remuneration policy in force.

Also report on the relationship between the remuneration received by the directors and the results or other measures of performance by the company, in the short term and in the long term, explaining, where appropriate, how changes in the company's performance have influenced changes in the remuneration of directors, including any accruing the payment of which has been deferred, and how these contribute to the company's short-term and long-term results.

In 2019, the total amount of remuneration of the directors of Colonial in their capacity as such was €1,483,043, significantly less than the maximum amount of €2,280,000 for this item established in the

Remuneration Policy after the incorporation of two new members of the Board of Directors during 2019. The individual remuneration of each of the directors in their capacity as such was (i) an annual fixed amount; and (ii) attendance fees for meetings of the Board of Directors and of its committees, as established in the Remuneration Policy. Executive directors did not receive remuneration for their membership of the Board of Directors or of its committees; nor did they receive any annual fixed amounts, or attendance fees for meetings of the Board of Directors. In this regard, the executive directors received remuneration in the amounts to which they were entitled by virtue of their respective contracts drawn up with the Company, pursuant to the Remuneration Policy. Also, as stipulated in the Remuneration Policy, executive directors are beneficiaries of the Plan, by virtue of which in 2019, 61,046 shares accrued to the Chairman and 158,721 shares accrued to the CEO.

At a meeting on 27th February 2020, at the behest of the ARC, Colonial's Board of Directors determined the sums of the annual variable remuneration of executive directors accrued in 2019. For the purposes of determining the variable remuneration accrued to the executive directors, consideration was given to professional dedication and excellence, the degree of achievement of the targets of the annual budget, investment or property occupancy targets, and the result of assessment of the performance of specific duties, with respect to which an ordinary variable remuneration of 100% was determined in relation to the annual fixed remuneration to which each director is entitled. For the purposes of determining the number of shares to which, pursuant to the Plan, the Chairman of the Board of Directors and the CEO are entitled each year, consideration is given to a number of conditions in relation to the trajectory of the Company, such as the net cash flow of Company operations secured in the course of the year. Further information in relation to these conditions is included in section B.7 of this report.

- B.4 Report of the results of the advisory vote of the shareholders at the Annual General Meeting on the annual remuneration report in the previous fiscal year, indicating the number of dissenting votes, if any, that were cast:

	Number	% of total
Votes cast	426,894,276	98.48

	Number	% of votes cast
Dissenting votes	120,334,854	27.76
Affirmative votes	306,559,422	70.72
Abstentions	6,565,330	1.51

Observations

- B.5 Explain how the fixed components accrued in the course of the year to directors in their capacity as such were determined, and how they varied with respect to the previous year.

The Board of Directors, following a proposal by the Appointments and Remuneration Committee, is tasked with distributing fixed remuneration and remuneration for each director for their membership of the Board of Directors. For these purposes, consideration is given to the functions and responsibilities assigned to each director, their membership of committees of the Board of Directors, their dedication and attendance of meetings of the Board of Directors and of any of its committees on which they sit, in addition to other objective circumstances that are deemed significant, ensuring that it is competitive with the compensation at other comparable companies based on their capitalisation, size and international presence.

The determination of the fixed items accrued by the directors of Colonial in their capacity as such for the 2019 financial year did not undergo any variation with respect to that applicable to the previous financial year, with the sole exception of the change relating to attendance fees for meetings of the Board of Directors, which was set at €5,000.

- B.6 Explain how the salaries accrued during the year to each of the executive directors for carrying out management functions were determined, and how they changed with respect to the previous year.

The Remuneration Policy for 2019 provides for fixed annual remuneration of €550,000 for the Chairman of the Board of Directors and €640,000 for the CEO, which are reviewed annually and automatically by applying the CPI published by the Spanish National Statistics Institute relating to the calendar year immediately preceding the date of the review, or any another official benchmark that may ultimately replace it. These amounts compensate all the functions they discharge at Colonial, as executives, members of the Company's Board of Directors and attendees of its meetings.

The salaries accrued by the Chairman of the Board of Directors and by the CEO during the 2019 financial year did not undergo any variation, except for the annual and automatic updating by means of the application of the CPI published by the Spanish National Statistics Institute (INE) corresponding to the previous calendar year, with respect to those accrued in the previous year.

- B.7 Explain the nature and main characteristics of the variable components of the compensation systems accrued in the course of the year.

In particular:

- Identify each of the remuneration plans that determined the different variable remuneration packages accrued by each of the directors in the course of the year, including information on their scope, the date of approval, date of implementation, periods of accrual and validity, criteria used to assess performance and how this affected the establishment of the variable amount accrued, and the measurement criteria used and the timeline required to enable all the conditions and criteria stipulated to be properly measured.

In the case of share option plans and other financial instruments, the plan's general features will include information on the conditions for securing unconditional ownership (consolidation) and for exercising such options or financial instruments, including the price and exercise timeline.

- Each of the directors, and their category (executive directors, external proprietary directors, external independent directors or other external directors), who are beneficiaries of remuneration schemes or plans that include variable remuneration.
- Where appropriate, information will be provided in relation to any periods established for the accrual or deferral of payment that may have been applied, and/or retention/non-availability periods for shares or other financial instruments, if any.

Explain the short-term variable components of the compensation systems

Pursuant to the Remuneration Policy, the contracts of the Chairman and of the CEO contain clauses by virtue of which they may each receive, by way of annual variable remuneration, an amount of up to 100% of their annual fixed remuneration.

Within the framework of the remuneration policy in force for the year 2019, the Board of Directors agreed that variable remuneration should be subject to the fulfillment of certain parameters or objectives of a quantitative and qualitative nature, the former making up 70% of the variable remuneration and the qualitative objectives making up the remaining 30%.

During fiscal year 2019, according to the quantitative criteria, the main objective was budgetary compliance. In this regard, the estimated income, structural expenses and EBITDA were in line with the

budget, with a notable rise in the profit per share value which increased by 23% compared with 2018. In terms of financial policy, the Loan To Value was reduced to 36%, as were the financial costs compared to the budget. Likewise, there was a significant appreciation of the Net Asset Value of 11%. The objectives in terms of investments and divestments were fulfilled successfully, especially with regard to the sale of the logistics portfolio.

Consequently, the quantitative objectives for 2019 were satisfactorily fulfilled in accordance with the ACR proposal to the Board of Directors.

Regarding the qualitative criteria or parameters, the efforts made in terms of ESG (Environmental, Social and Governance) should be highlighted. This has resulted in an improved GRESB score and also in the company obtaining the EPRA sBPR Gold award for 4th consecutive year, as well as recognition through the GRESB/BREEAM 2019 Award for Responsible Investment granted to the Company. Also taken into account were the corporate social responsibility policies, the directors' dedication and professional excellence, as well as the result of the evaluation of the performance of their duties, their supervision of corporate governance and their contribution to improving Colonial's corporate reputation.

Based on the above, the Board of Directors, at the proposal of the ACR, decided that the variable remuneration to be received in 2019 by the executive directors is 100% of the fixed remuneration.

Non-executive directors did not receive any items of short-term variable remuneration in the year 2019.

Explain the long-term variable components of the remuneration systems

In addition to the variable remuneration referred to in the table above, both the Chairman and the CEO are beneficiaries of the Plan, the most significant aspects of which are indicated below:

- *Description:* delivery of ordinary Colonial shares to beneficiaries depending on the annual achievement of certain indicators and on the beneficiaries being executive directors or having a commercial or employment relationship with the Company or its group on the dates of delivery of the shares.
- *Beneficiaries:* The Chairman, the CEO and the members of the company's Management Committee at any given time, including senior officers.
- *Determination of the number of shares:* The Chairman of the Board and the CEO, based on the fulfilment of certain requirements, are entitled to receive each year a maximum of 48,837 and 126,977 shares, respectively. However, the number of shares to be received by each of them could be increased by a maximum of 25%, depending on whether certain conditions are met.
- *Conditioning factors:* The number of shares to be allocated to beneficiaries will be subject to the achievement of certain conditions set out and tied to the Company's performance. In this regard, on 13 May 2014, the Board of Directors determined the following as conditioning factors:
 - If the NCF is between 95% and 105% with respect to the provisions of the latest Business Plan, 100% of the number of shares envisaged will be accrued.
 - If the NCF exceeds the provisions of the Business Plan by more than 5%, the maximum number of shares that could be received in that year will increase by 1.5% for each percentage point increase of the NCF above 105%, up to a new maximum number of shares equivalent to 125% of the number of shares envisaged.
 - If the NCF is lower than the provisions of the Business Plan by up to 25%, the maximum number of shares that could be received in that year will decrease by 1.5% for each percentage point decrease of the NCF below 95%.
 - If the NCF is lower than the provisions of the Business Plan by more than 25%, no portion of the number of shares envisaged will be accrued.

Likewise, the number of shares to be delivered based on the stipulated calculations will be reduced by 25% every year if the Net Asset Value of Colonial shares does not show a yearly 4% growth during the Plan. The yearly NAV target will be calculated by increasing the data from the previous year by 4%.

The NCF and the NAV will be applied on a "per share" basis.

- *Term and delivery:* The Plan will be in force until 2021. The Board of Directors, following a report by the ARC, will approve the annual settlement and determine the number of shares that correspond to each of the beneficiaries based on achievement of the previous year's indicators. The shares will

be delivered between 15 and 30 April of each year and may not be sold or transferred until 3 years have elapsed since delivery, except to cater for the taxes arising from accrual thereof.

The delivery of the shares will include a final adjustment, such that the equivalent monetary value of the delivered share does not exceed 150% of the average share price in November 2013.

In any case, should a resolution be adopted with a material negative impact on Colonial shares or that may result in a different number of outstanding shares, the Board will perform the necessary adjustments to maintain the equivalence of the benefits under the Plan.

The Plan will be settled early in the event that a substantial liquidity event takes place, as defined in the resolution of the General Meeting of 21 January 2014.

If, during the term of the Plan, the Chairman or CEO are unfairly dismissed, the General Meeting does not extend their mandate or they are dismissed from their positions without just cause, they will be entitled to an early settlement of the Plan, and the shares pending settlement will be delivered. Beneficiaries shall lose their right to the delivery of shares, as well as the rights to the shares granted, in the event of fair dismissal, termination with just cause or resignation at their own initiative, and in the event of breach of contract with respect to confidentiality, prohibition of the provision of services or competition. The Company's external auditor has also issued a report on the procedure agreed for the settlement of the Plan.

Non-executive directors did not receive any items of long-term variable remuneration in the year 2019.

- B.8 State whether any variable components have been reduced or a refund has been claimed when, in the former case, payment has been consolidated and deferred or, in the latter case, consolidated and paid, in accordance with data subsequently shown to be manifestly inaccurate. Describe the amounts reduced or returned following application of the reduction or refund clauses (*clawback*), why they were enacted, and the years to which they refer.

In 2019, there were no reductions or refunds of any variable components of the remuneration of Colonial's executive directors, since there was no case that entailed such reductions or refunds.

- B.9 Explain the main features of the long-term savings schemes the amount or annual equivalent cost of which is set out in the boxes in Section C, including retirement and any other survival benefit, wholly or partially financed by the Company, recognised either internally or externally, indicating the type of plan, whether it is defined-contribution or defined-benefit, the contingencies it covers, the conditions of consolidation of economic rights for directors and the compatibility with any type of benefit for early termination or cessation of the contractual relationship between the Company and the director.

Colonial's executive directors are beneficiaries of a defined-contribution welfare plan covering the contingencies of retirement, disability and death.

The employee welfare system of executive directors recognises the vesting of economic rights in the event of stepping down or termination of the professional relationship prior to the occurrence of the contingencies covered, unless such stepping down or termination occurs when just cause is found. Furthermore, these long-term savings schemes are compatible with any termination benefits that may be applicable.

- B.10 Explain, where applicable, the indemnities or any other type of payment arising from early departure, either at the behest of the company or the wishes of the director, or from

termination of the contract, in the terms set out therein, that were accrued and/or collected by directors during the year.

In fiscal year 2019, no termination benefit or other type of payment derived from the early termination of directors of Colonial was accrued or received.

- B.11 State whether any significant amendments were made to the contracts of those carrying out senior management functions as executive directors and, where applicable, explain them. Also explain the main conditions of the new contracts signed with executive directors in the course of the year, unless these have already been explained in section A.1.

In 2019, no new contracts were drawn up with Colonial's executive directors, and no significant amendments were made to the existing contracts.

- B.12 Explain any supplementary remuneration accrued to directors in consideration for services rendered other than those inherent to their position.

In 2019, no supplementary remuneration was accrued as consideration for services provided by Colonial's directors other than those inherent to their posts.

- B.13 Explain any compensation arising from the approval of advances, credits and guarantees, specifying the interest rate, their essential characteristics and any amounts ultimately repaid, as well as the obligations accepted on their behalf as security.

In 2019, no remuneration was accrued arising from the approval of advances, credits or guarantees in favour of Colonial's directors, as no remuneration was granted to the directors for these items.

- B.14 State the cash remuneration accrued to directors in the course of the year, with a brief description of the nature of the various components of remuneration.

Colonial has taken out a collective civil liability insurance policy that covers liability for the acts and conduct of the members of the Board of Directors (executives and non-executives) and directors of the Company, as a result of the performance of the activities inherent to their duties, as well as any losses caused in cybersecurity attacks or failures. The cost of this insurance policy is not included in the maximum amount of annual remuneration for all directors in their capacity as such. In 2019, the amount of the collective civil liability insurance policy was €243,412.

In addition, the Company pays the CEO other payments in kind for the use of a vehicle, family health, disability and accident insurance and life insurance. In 2019, the amount of this cash remuneration was established as 37,615 euros.

- B.15 Explain the remuneration accrued by the director through the payments made by the listed company to a third party at which the director provides services, when such payments are intended to compensate the director's services at the company.

No remuneration was accrued for this item during the 2019 financial year.

- B.16 Explain any kind of remuneration other than those listed above, of whatever nature and provenance within the group, especially when it may be deemed a related-party

transaction or when its omission would detract from the fair presentation of the total remuneration earned by the director.

During the 2019 financial year, no remuneration was accrued for this item, except for that included in section C.1. b) i) of this report.

C. DETAILS OF THE INDIVIDUAL REMUNERATION OF EACH DIRECTOR

Name	Type	Accrual period 2019
JUAN JOSÉ BRUGERA CLAVERO	Executive	From 01/01/2019 to 31/12/2019
PEDRO VIÑOLAS SERRA	Executive	From 01/01/2019 to 31/12/2019
SHEIKH ALI JASSIM M.J. AL-THANI	Proprietary	From 01/01/2019 to 31/12/2019
ADNANE MOUSANNIF	Proprietary	From 01/01/2019 to 31/12/2019
JUAN CARLOS GARCÍA CAÑIZARES).	Proprietary	From 01/01/2019 to 31/12/2019
CARLOS FERNÁNDEZ GONZÁLEZ	Proprietary	From 01/01/2019 to 31/12/2019
JAVIER LÓPEZ CASADO	Proprietary	From 01/01/2019 to 31/12/2019
ANA SAINZ DE VICUÑA BEMBERG	Independent	From 01/01/2019 to 24/01/2019
SILVIA MÓNICA ALONSO-CASTRILLO ALLAIN	Independent	From 24/01/2019 to 31/12/2019
CARLOS FERNÁNDEZ-LERGA GARRALDA	Independent	From 01/01/2019 to 31/12/2019
JAVIER IGLESIAS DE USSEL ORDÍS	Independent	From 01/01/2019 to 31/12/2019
LUIS MALUQUER TREPAT	Independent	From 01/01/2019 to 31/12/2019
ANA BOLADO VALLE	Independent	From 14/06/2019 to 31/12/2019
ANA PERALTA MORENO.	Independent	From 14/06/2019 to 31/12/2019

C.1 Complete the following tables in respect of the individual remuneration of each of the directors (including remuneration for the discharge of executive functions) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration accrued in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total 2019	Total 2018
JUAN JOSÉ BRUGERA CLAVERO				572	572	--			1,144	1,469
PEDRO VIÑOLAS SERRA				665	665	--			1,330	1,840
SHEIKH ALI JASSIM M.J. AL-THANI	50	37							87	92
ADNANE MOUSANNIF	50	61	25						136	135
JUAN CARLOS GARCÍA CAÑIZARES).	50	51	25						126	120
CARLOS FERNÁNDEZ GONZÁLEZ	50	37							87	89
JAVIER LÓPEZ CASADO	50	49	11						110	54
ANA SAINZ DE VICUÑA BEMBERG	3	8	3						14	179
SILVIA MÓNICA ALONSO-CASTRILLO ALLAIN	47	34							81	--
CARLOS FERNÁNDEZ-LERGA GARRALDA	125	101	75						301	298
JAVIER IGLESIAS DE USSEL ORDÍS	50	99	73						222	187
LUIS MALUQUER TREPAT	50	85	50						185	187
ANA BOLADO VALLE	27	31	11						69	--
ANA PERALTA MORENO.	27	26	11						64	--

Observations

ii) Table showing movements in share-based remuneration schemes and gross profit of shares or consolidated financial instruments.

Name	Name of Plan	Financial instruments at the beginning of 2019		Financial instruments granted in 2019		Financial instruments consolidated in the year				Instruments matured and not exercised	Financial instruments at the end of 2019	
		No of instruments	No of equivalent shares	No of instruments	No of equivalent shares	No of instruments	No of equivalent/consolidated shares	Price of consolidated shares	Gross Profit from shares or consolidated financial instruments (thousands of euros)		No of instruments	No of equivalent shares
JUAN JOSÉ BRUGERA CLAVERO	2014 share option plan	48,837	48,837	61,046	61,046	61,046	61,046	9.6	586		61,046	61,046
PEDRO VIÑOLAS SERRA	2014 share option plan	126,977	126,977	158,721	158,721	158,721	158,721	9.6	1,524		158,721	158,721

Observations

iii) Long-term savings schemes

Name	Remuneration for the consolidation of rights to savings schemes
JUAN JOSÉ BRUGERA CLAVERO	78
PEDRO VIÑOLAS SERRA	104

Name	Contribution during the year by the company (thousands of €)				Amount of accumulated funds (thousands of €)			
	Savings schemes with consolidated economic rights		Savings schemes with non-consolidated economic rights		2019		2018	
	2019	2018	2019	2018	Savings schemes with consolidated economic rights	Savings schemes with non-consolidated economic rights	Savings schemes with consolidated economic rights	Savings schemes with non-consolidated economic rights
	JUAN JOSÉ BRUGERA CLAVERO	78	77	--	--	306	--	228
PEDRO VIÑOLAS SERRA	104	103	--	--	408	--	304	--

Observations

iv) Detail of other items

Name	Item	Amount of remuneration
PEDRO VIÑOLAS SERRA	In-kind payment	46

Observations

b) Remuneration for directors of the company for membership of boards at other group companies:

i) Remuneration accrued in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Compensation	Other items	Total 2019	Total 2018
JUAN JOSÉ BRUGERA CLAVERO	150	58							208	210
PEDRO VIÑOLAS SERRA		60							60	55
SHEIKH ALI JASSIM M.J. AL-THANI		32							32	35
ADNANE MOUSANNIF		0							0	38
CARLOS FERNÁNDEZ-LERGA GARRALDA		70							70	72
LUIS MALUQUER TREPAT		39							39	35
SILVIA ALONSO-CASTRILLO ALLAIN		1							1	38

Observations

ii) Table showing movements in share-based remuneration schemes and gross profit of shares or consolidated financial instruments

Name	Name of Plan	Financial instruments at the beginning of year t		Financial instruments granted in year t		Financial instruments consolidated in the year				Instrumen ts matured and not exercised	Financial instruments at the end of year t	
		No of instruments	No of equivalent shares	No of instruments	No of equivalent shares	No of instruments	No of equivalent/consolidated shares	Price of consolidated shares	Gross Profit from shares or consolidated financial instruments (thousands of euros)	No of instruments	No of instruments	No of equivalent shares
JUAN JOSÉ BRUGER A CLAVERO	Delivery plan			6000	6000	6000	6000	27	162		6000	6000

Observations

iii) Long-term savings schemes

Name	Remuneration for the consolidation of rights to savings schemes
--	--

Name	Contribution during the year by the company (thousands of €)				Amount of accumulated funds (thousands of €)			
	Savings schemes with consolidated economic rights		Savings schemes with non-consolidated economic rights		2019		2018	
	2019	2018	2019	2018	Savings schemes with consolidated economic rights	Savings schemes with non-consolidated economic rights	Savings schemes with consolidated economic rights	Savings schemes with non-consolidated economic rights
	--	--	--	--	--	--	--	--

Observations
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iv) Detail of other items

Name	Item	Amount of remuneration
--	--	--

Observations
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c) Summary of remunerations (thousands of euros):

The summary should include the amounts relating to all remuneration items included in this report that have accrued to the director, in thousands of euros.

Name	Accrued remuneration at the Company					Accrued remuneration at Group companies				
	Total payment in cash	Gross Profit from the shares or consolidated financial instruments	Remuneration in saving systems	Other items of remuneration	Total 2019 company	Total payment in cash	Gross Profit from the shares or consolidated financial instruments	Remuneration in saving systems	Other items of remuneration	Total 2019 Group
JUAN JOSÉ BRUGERA CLAVERO	1,144	586	78	0	1,808	208	162			370
PEDRO VIÑOLAS SERRA	1,330	1524	104	46	3,004	60				60
SHEIKH ALI JASSIM M.J. AL-THANI	87				87	32				32
ADNANE MOUSANNIF	136				136					
JUAN CARLOS GARCÍA CAÑIZARES).	126				126					
CARLOS FERNÁNDEZ GONZÁLEZ	87				87					
JAVIER LÓPEZ CASADO	110				110					
ANA SAINZ DE VICUÑA BEMBERG	14				14					
SILVIA MÓNICA ALONSO-CASTRILLO ALLAIN	81				81	1				1
CARLOS FERNÁNDEZ-LERGA GARRALDA	301				301	70				70
JAVIER IGLESIAS DE USSEL ORDÍS	222				222					
LUIS MALUQUER TREPAT	185				185	38				38
ANA BOLADO VALLE	69				69					

ANA PERALTA MORENO.	64				64					
TOTAL:				46	6,294	409	162			571

Observations

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

Briefly detail any salient feature relating to director remuneration that has not been dealt with in the other sections of this Report, but which it is necessary to include in order to provide the most complete and reasoned information on the Company's remuneration structure and practices in relation to its directors.

As regards the estimated remuneration for the current financial year as set out in section A of this report, the data for the financial year 2019 have been taken into consideration, insofar as they are amounts that are updated on the basis of the CPI. As regards the expected remuneration of the directors of Colonial who are also members of *Société Foncière Lyonnaise*, the estimate has been made taking as a reference the financial year 2019, since the amount depends on the number of meetings and the actual attendance of the directors.

This annual report on remuneration was approved by the company's Board of Directors at a meeting on 27 February 2020.

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

Yes No

Name or company name of the member of the Board of Directors who did not vote in favour of this report	Reasons (against, abstention, non-attendance)	Explain the reasons
Not applicable	Not applicable	Not applicable

* * * * *