

**REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL TO AMEND THE DIRECTORS' REMUNERATION POLICY OF INMOBILIARIA COLONIAL, SOCIMI, S.A. REGARDING THE MAXIMUM ANNUAL AGGREGATE REMUNERATION TO BE PAID TO ALL DIRECTORS FOR THEIR ROLE AS SUCH (ITEM EIGHT ON THE AGENDA).**

**1. Purpose of the report**

Pursuant to the consolidated text of the Spanish Companies Act passed by Royal Legislative Decree 1/2010 of 2 July, the Appointments and Remuneration Committee of Inmobiliaria Colonial, SOCIMI, S.A. ("**Colonial**" or the "**Company**") proposed to Colonial's Board of Directors the amendment of the Directors' Remuneration Policy approved by the Company's General Meeting of Shareholders held on 30 June 2021 (the "**Remuneration Policy**") so that, where appropriate, the Board of Directors may put it to a vote, as a separate item on the agenda, at the Ordinary General Meeting of Shareholders of the Company to be held in 2022.

Pursuant to Article 529 *novodecies* of the Spanish Companies Act, a specific report drawn up by the Appointments and Remuneration Committee has to be attached and made available to the shareholders on the Company website, together with all other relevant documents, when the General Meeting is called. To that end, the Board of Directors has drawn up this report (the "**Report**").

**2. Reasoned motion**

The Board of Directors of Colonial, based on the specific report prepared by the Appointments and Remuneration Committee on 4 May 2022 regarding the amendments to the Remuneration Policy, has agreed to put the amendments to a vote at the Ordinary General Meeting of Shareholders.

For this purpose, the Company's Board of Directors adopts as its own the above-mentioned specific report drawn up by the Appointments and Remuneration Committee, which is available to the Company's shareholders on its website ([www.inmocolonial.com](http://www.inmocolonial.com)) and at its registered office (Paseo de la Castellana, 52, 28046 Madrid).

**MOTION TO AMEND THE DIRECTORS' REMUNERATION POLICY OF INMOBILIARIA COLONIAL, SOCIMI, S.A. (ITEM EIGHT ON THE AGENDA).**

***Eight.- Amendments to the Directors' Remuneration Policy of Inmobiliaria Colonial, SOCIMI, S.A. regarding the maximum annual aggregate remuneration to be paid to all Directors for their role as such.***

The shareholders agree to: (i) amend the maximum annual aggregate remuneration to be paid to all Directors for their role as such stipulated in the Directors' Remuneration Policy of Inmobiliaria Colonial, SOCIMI, S.A. (the "**Company**") approved by the General Meeting of Shareholders on 30 June 2021 (the "**Remuneration Policy**"), which shall henceforth be €2.5 million (all this without prejudice to the fact that, as provided in the Remuneration Policy, this amount may be increased by 10 % for every new member joining the Board of Directors when this involves increasing the current number of Board members); and (ii) no longer apply the remuneration linked to the executive functions of the Chairman of the Board of Directors or to the role of Independent Lead Director.

In this regard, as reported to the market through the "other significant information" announcement (No. 14657), the Company's Board of Directors agreed that the Chairman of the Company's Board of Directors would cease his executive functions and continue as non-executive Chairman under the "other external" status, and the Independent Lead Director position would be eliminated. These resolutions were to come into force on 30 April 2022. In view of the above, as of 1 May 2022: (i) the remuneration paid to Mr Juan José Brugera Clavero is part of the annual aggregate remuneration to be paid to all Directors for their role as such, eliminating any other retributions he may have been entitled to as Executive Director; and (ii) Mr Luis Maluquer Trepas no longer receives remuneration for his role as Independent Lead Director.

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This report was prepared and approved by the Board of Directors at its meeting of 12 May 2022.