

INMOBILIARIA COLONIAL, SOCIMI, S.A.**ORDINARY GENERAL MEETING OF SHAREHOLDERS (JUNE 2023)****REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE ON THE MOTIONS FOR THE RATIFICATION, APPOINTMENT OR RE-ELECTION OF DIRECTORS (ITEM EIGHT (8.1, 8.2, 8.3, 8.4, 8.5, 8.6 AND 8.7) ON THE AGENDA).****1. Purpose of the report**

This report has been prepared by the Appointments and Remuneration Committee of Inmobiliaria Colonial, SOCIMI, S.A. ("**Colonial**" or the "**Company**") in relation to the ratification, appointment or re-election of Directors of the Company for the four-year term set forth in the Company Bylaws.

Pursuant to the provisions of section 6 of Article 529 decies of the consolidated text of the Spanish Limited Liability Companies Law passed by Royal Legislative Decree 1/2010 of 2 July (the "**Spanish Limited Liability Companies Law**"), the above-mentioned motions to be put forward to the General Meeting require the following supporting report from the Appointments and Remuneration Committee.

2. Justification of the proposals

The Appointments and Remuneration Committee has conducted an analysis of the current composition of the Board of Directors, its requirements and the Company's shareholder structure. The Appointments and Remuneration Committee has considered the conditions that must be met by Directors to exercise their role and the degree of dedication required to adequately fulfil their duties, all this based on the Company's Selection and Diversity Policy.

2.1. Ratification and appointment of Ms Begoña Orgambide García

On 27 September 2022, the Board of Directors appointed Ms Begoña Orgambide García by co-option as proprietary Director of the Company in order to fill the vacancy that had been left on the Board of Directors.

As a result of this appointment, added to the re-election of Mr Carlos Fernández González on 30 June 2020, the Finaccess Group, one of the Company's major shareholders, will continue to have two representatives on the Board of Directors, which the Appointments and Remuneration Committee considers a suitable representation in view of the Company's shareholding structure.

The Appointments and Remuneration Committee has once again taken into consideration the experience, merits and competence, as well as the education and professional profile, of Ms Begoña Orgambide García for the purposes of her appointment as a proprietary Director, all this following an assessment of the current membership of the Board, its needs and the Company's shareholding structure, based on the following:

- Since her appointment by co-option to the Board of Directors, Ms Begoña Orgambide García has proved that she has the necessary knowledge, skills and experience to perform the functions assigned to her. She has also carried out her functions faithfully as a loyal representative, acting in good faith and in the best interests of the Company, on the principle of personal responsibility with freedom of criteria and independence with respect to instructions and third-party links.

Ms Begoña Orgambide García is considered to have devoted the necessary time to perform her role effectively and to have sufficient time available to properly carry out her duties.

- Ms Begoña Orgambide García has held a number of positions of responsibility throughout her career, providing evidence of her merits and ability to help run the Company in an adequate and prudent manner.

Academic profile and career

Ms Orgambide has a Bachelor's Degree in Management and Finance with honours and a Master's Degree in Investment Project Evaluation, both of them from the Panamerican University in Mexico. She has a Diploma in Corporate Reputation and Communication from Anáhuac University and has successfully completed the International Senior Management Programme taught by Instituto Tecnológico Autónomo de México (ITAM) in partnership with Kellogg, Stanford and Ashridge.

She has worked mainly in finance, primarily analysing companies' financial situation, project viability and profitability and on the implementation of financial and corporate communication strategies for investors and analysts.

Ms Orgambide has been Head of Investor Relations at both Grupo Modelo S.A.B. de C.V. and, afterwards, Grupo Sports World S.A.B. de C.V. In 2015 she joined Walmart de México S.A.B. de C.V. as Head of Strategic Planning and M&A.

She is currently Head of Investor Relations at Finaccess Capital, S.A. de C.V., where she has worked on investment analysis, mainly in the restaurant and real estate sector, and on evaluations of returns. She is also responsible for designing and implementing the communication strategy on the financial status and performance of investments for the group of investors.

In addition, she sits on the Board of Directors of AmRest Holdings SE (Europe's leading multi-brand foodservice operator).

- This appointment reinforces the Company's commitment to increasing the number of women on the Board of Directors in accordance with the corporate governance recommendations and Colonial's Selection and Diversity Policy.

In view of all of the foregoing, the Appointments and Remuneration Committee considers that Ms Begoña Orgambide García has the necessary knowledge, skills and specific competencies, as well as the necessary merits and experience, and meets the requirements of good standing, suitability, reliability, availability and engagement for the tasks in her role, and therefore provides the Board of Directors with a report supporting her ratification and appointment as a proprietary Director, at the next General Meeting of Shareholders, for the four-year term set forth in the Company Bylaws.

2.2. Re-election of Ms Silvia Mónica Alonso-Castrillo Allain

The Appointments and Remuneration Committee has once again taken into consideration the experience, merits and competence, as well as the education and professional profile, of Ms Silvia Mónica Alonso-Castrillo Allain for the purposes of her re-election as an independent Director, all this

following an assessment of the current membership of the Board, its needs and the Company's shareholding structure, based on the following:

- Ms Silvia Mónica Alonso-Castrillo Allain was appointed as an independent Director of the Company by a resolution of the General Meeting of Shareholders on 14 June 2019.
- Since her appointment to the Board of Directors, Ms Silvia Mónica Alonso-Castrillo has proven that she has the necessary knowledge, skills and experience to carry out the functions assigned to her. She has also carried out her functions faithfully as a loyal representative, acting in good faith and in the best interests of the Company, on the principle of personal responsibility with freedom of criteria and independence with respect to instructions and third-party links. Furthermore, Ms Silvia Mónica Alonso-Castrillo Allain is considered to have devoted the necessary time to perform her role effectively and to have sufficient time available to properly carry out her duties.
- Ms Silvia Mónica Alonso-Castrillo has held a number of positions of responsibility throughout her career, proving that she has the necessary competencies and merits to perform an adequate and prudent role in helping run the Company.

Academic profile and career

She holds a degree in Political Sciences from Sciences Po University (Paris) and a Master's Degree and PhD in Spanish and Latin American Studies from Paris-Sorbonne University. By civil service examination, she became a teacher of Spanish studies in France. She has been teaching and researching for 25 years (1984-2009) in a number of French academic institutions: University of Toulouse, Sciences Po and the ESSEC Business School. Author of several books on history and contemporary Spanish politics.

Ms Alonso-Castrillo worked for the French Embassy in Singapore as a science and culture advisor, before being appointed regional director of INSEAD. She supervised the development of two campuses in Singapore: the French Lycée and INSEAD (1996-1999).

Upon her return to Europe in 2000, she worked for 15 years with ESSEC, managing international development and fundraising for the business school, which also opened a campus in Singapore.

In 2007 she founded the consulting firm Sociedad de Estudios Hispano Franceses, S.L. in Madrid, which she led until 2019 and of which she is the sole shareholder and director. Since 2013, Ms Alonso-Castrillo has run the family farm in the Loire Valley of France.

She has served on the Board of the College de Bernardins (Paris) and on the Executive Committee of the Fondation pour les Sciences Sociales (Paris). She was director of SFL from 2017 to January 2019, and of Koiki Home S.L. from 2017 to February 2023.

In view of all of the foregoing, the Appointments and Remuneration Committee considers that Ms Silvia Mónica Alonso-Castrillo Allain has the necessary knowledge, skills and specific competencies, as well as the necessary merits and experience, and meets the requirements of good standing, suitability, reliability, availability and commitment to the tasks inherent in the role, for being put forward at the Ordinary General Meeting of Shareholders for re-election as an independent Director of the Company for the four-year term set forth in the Company Bylaws.

2.3. Re-election of Ms Ana Peralta Moreno

The Appointments and Remuneration Committee has once again taken into consideration the experience, merits and competence, as well as the education and professional profile, of Ms Ana Peralta Moreno for the purposes of her re-election as an independent Director, all this following an assessment of the current membership of the Board, its needs and the Company's shareholding structure, based on the following:

- Ms Ana Peralta Moreno was appointed as an independent Director of the Company by a resolution of the General Meeting of Shareholders on 14 June 2019.
- Since her appointment to the Board of Directors, Ms Ana Peralta Moreno has proved that she has the necessary knowledge, skills and experience to perform the functions assigned to her. She has also carried out her functions faithfully as a loyal representative, acting in good faith and in the best interests of the Company, on the principle of personal responsibility with freedom of criteria and independence with respect to instructions and third-party links. Furthermore, Ms Ana Peralta Moreno is considered to have devoted the necessary time to perform her role effectively and to have sufficient time available to properly carry out her duties.
- Ms Ana Peralta Moreno has held a number of positions of responsibility throughout her professional career, proving her merits and ability to help run the Company in an adequate and prudent manner.

Academic profile and career

Ms Ana Peralta is currently an independent Director of BBVA and Grenergy Renovables, S.A.

She has extensive experience in the financial sector. She began her professional career with Bankinter in 1990, where she worked in extremely different areas until late 2008. She headed up Bankinter's first Internet Office and ran the Chairman's Office. During her last years at the Bank she was Chief Risk Officer and a member of the Management Committee.

From 2009 to 2012 she sat on the Management Committee at Banco Pastor, where she worked as General Manager of Risk.

From 2012 to 2018 Ms Ana Peralta divided her time between a post as Senior Advisor with Oliver Wyman Financial Services and was a member of several boards of directors. She was an independent director at Banco Etcheverría, at Deutsche Bank, SAE and also at Lar Holding Residencial.

She holds a degree in Economics and Business Administration from the Madrid Complutense University and a Master's Degree in Financial Management from CEF (1991), and studied the PMD Programme (Program for Management Development) at Harvard Business School (2002) and the PADE programme at the IESE business school (2016).

In view of all of the foregoing, the Appointments and Remuneration Committee considers that Ms Ana Peralta Moreno has the necessary knowledge, skills and specific competencies and the experience and merits expected, and also meets the requirements of good standing, suitability, reliability, availability and commitment to the tasks in her role, for the purposes of putting forward at the Ordinary General Meeting of Shareholders her re-election as an independent Director of the Company for the four-year term set forth in the Company Bylaws.

2.4. Re-election of Ms Ana Bolado Valle

The Appointments and Remuneration Committee has once again taken into consideration the experience, merits and competence, as well as the education and professional profile, of Ms Ana Bolado Valle for the purposes of her re-election as an independent Director, all this following an assessment of the current membership of the Board, its needs and the Company's shareholding structure, based on the following:

- Ms Ana Bolado Valle was appointed as an independent Director of the Company by a resolution of the General Meeting of Shareholders on 14 June 2019.
- Since her appointment to the Board of Directors, Ms Ana Bolado Valle has shown that she has the necessary knowledge, skills and experience to perform the functions assigned to her. She has also carried out her functions faithfully as a loyal representative, acting in good faith and in the best interests of the Company, on the principle of personal responsibility with freedom of criteria and independence with respect to instructions and third-party links. Furthermore, Ms Ana Bolado Valle is considered to have devoted the necessary time to perform her role effectively and to have sufficient time available to properly carry out her duties.
- Ms Ana Bolado Valle has held a number of positions of responsibility throughout her career, proving her merits and ability to help run the Company in an adequate and prudent manner.

Academic profile and career

She holds a degree in Pharmacy from the Madrid Complutense University, and also a Master's Degree in Business Administration (MBA) from IE Business School.

In the course of her professional career, Ms Ana Bolado Valle has held various management positions at Santander Group (1986-2017), managing important business areas both wholesale and retail, digital transformation projects and key areas for the Group such as Corporate Human Resources Division between 2005 and 2010. She has also been a Board member of Parques Reunidos Servicios Centrales, S.A. and Unicaja Banco, S.A.

Currently Ms Ana Bolado Valle is a proprietary director of Metrovacesa, S.A., appointed at the proposal of Banco Santander, S.A., Caceis Group and Caceis Bank. With regard to the latter organisation, Ms Ana Bolado is a member of the following committees: Strategy, Audit, Risks and Compliance and Appointments and Remunerations. Furthermore, she is a Senior Advisor for Fellow Funders -an equity crowdfunding platform to support the funding of start-ups and SMEs- and a member of the Instituto de Consejeros y Administradores (ICA, Institute of Directors and Administrators) and of Women Corporate Directors.

- In this regard, Ms Ana Bolado Valle is currently a proprietary Director of Metrovacesa, S.A. ("**Metrovacesa**"). As provided in Article 229 of the Spanish Private Limited Companies Law, Directors may not engage in activities, either on an employed or a self-employed basis, that involve effective competition with the Company, current or potential, or that may lead to a permanent conflict with the interests of the Company. Under Article 230.3 of the Spanish Limited Liability Companies Law, the General Meeting may waive this restriction on a director if no harm is expected to result for the Company or the benefits expected from the waiver outweigh any expected harm.

Like Colonial, Metrovacesa operates in the real-estate sector. Without prejudice to the foregoing, this Director whose re-election is being proposed cannot currently be considered to be engaging, directly or indirectly as a result of being a Director of Metrovacesa, in an activity that places her in a permanent conflict of interest with the Company. Metrovacesa's main activity at present thus relates mainly to residential properties (residential developments) in a number of Spanish provinces, unlike Colonial, whose strategy is based on renting properties in the qualify office segment, mainly in the Madrid, Barcelona and Paris business districts. Furthermore, Metrovacesa is not covered by the special tax regime for SOCIMIs (Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario, equivalent to REITs, i.e. Real Estate Investment Trusts).

However, insofar as a case of "potential" competition could be deemed to exist, as the Company is not expected to be harmed as a result of the current situation and her continued membership of the Board of Directors of Colonial is beneficial to the Company, the Appointments and Remuneration Committee considers that, in accordance with Article 230 of the consolidated text of the Spanish Limited Liability Companies Law, it is appropriate for the Board of Directors to submit to the Ordinary General Meeting of Shareholders of Colonial for its approval a motion to waive any prohibitions and therefore allow Ms Ana Bolado Valle to sit on the Board of Directors.

In view of all of the foregoing, the Appointments and Remuneration Committee considers that Ms Ana Bolado Valle has the necessary knowledge, skills and specific competencies and the experience and merits expected, and also meets the requirements of good standing, suitability, reliability, availability and commitment to the tasks in her role, for the purposes of putting forward at the Ordinary General Meeting of Shareholders her re-election as an independent Director of the Company for the four-year term set forth in the Company Bylaws.

2.5. Appointment of Ms Miriam González Amézqueta

A candidate selection process has been carried out for the purpose of proposing the appointment of a new independent Director. This process has been carried out avoiding any discrimination and in accordance with the principle that each candidate is assessed on their own merits and abilities. In this regard, the Committee sought people who had the required qualifications and a good professional and personal standing, as well as the appropriate skills, as set forth in the Selection and Diversity Policy. In addition, the Appointments and Remuneration Committee has made sure that the selection process promoted diversity and was not affected by any implicit biases that could entail any discrimination of any kind and, in particular, that it favoured the selection of female Directors.

Furthermore, the Appointments and Remuneration Committee has checked that the candidates met the independence requirements provided by law, the corporate governance recommendations, the Company's internal rules and national and international standards.

In its search for a suitable candidate for the appointment of a new Director, the Appointments and Remuneration Committee has received external advice from Seeliger y Conde.

Following this process, the Appointments and Remuneration Committee has resolved to propose the appointment of Ms Miriam González Amézqueta as independent Director on the basis of the following:

- Ms Miriam González Amézqueta has held a number of leadership positions throughout her professional career, showing his competencies and merits in helping run the Company adequately and prudently.

Academic profile and career

She holds a double degree in Law and Economics and Business Studies (E-3) from Comillas Pontifical University (ICADE).

Ms Miriam González Amézqueta embarked on her professional career in 1989 as a financial analyst for Santander Investment S.V.B (BSN), where she stayed until 2000. Following the merger between BSN and BCH, she was equities manager at the resulting brokerage company.

Between 2000 and 2008 she was managing director at Lehman Brothers International Europe and, after that, managing director at Lehman Brothers Plc. Branch in Spain. In addition, and among other roles, she was equities manager for the Spanish and Portuguese offices. She was also a member of the European Equities Executive Committee, the Management Committee of Iberia, the Integration and Diversity Committee in London, the European Selection and Recruitment Team, and the "Lehman Faculty", speaking at internal courses held in London and New York, and chairwoman of the Southern Europe Integration and Diversity Committee. Between 2008 and 2011, following Nomura International Europe's acquisition of Lehman Brothers, she was Managing Director Head of Equities in Spain for European, American and Asian shares.

During 2012, she completed the Digital Business Executive Programme at ISDI.

In 2013 she founded Alamir Servicios Financieros, of which she is a shareholder, to invest in start-ups, mainly Fintech companies, with the strategy of being actively involved in their management and subsequent development at a global level.

Currently Ms Miriam González Amézqueta has been an independent director on the Boards of Deutsche Bank S.A.E. and the MIO Group since February 2017 and June 2021 respectively. At Deutsche Bank S.A.E., she also chairs the Risk and Remuneration Committees and is a member of the Audit and Appointments Committees. She also chairs the Audit Committee and the Remuneration and Appointments Committee of the MIO Group.

- The Appointments and Remuneration Committee considers that, in view of her personal and professional circumstances and in accordance with Article 529 duodecies of the Spanish Limited Liability Companies Law, Ms Miriam González Amézqueta is able to carry out her duties without being affected by her relationship with the Company, its group or their significant shareholders and officers.
- This appointment reinforces the Company's commitment to increasing the number of women on the Board of Directors in accordance with corporate governance recommendations and Colonial's Selection and Diversity Policy.

In view of all of the foregoing, the Appointments and Remuneration Committee considers that Ms Miriam González Amézqueta has the necessary knowledge, skills and specific competencies and the experience and merits expected, and also meets the requirements of good standing, suitability, reliability, availability and commitment to the tasks in her role, for the purposes of putting forward at the Ordinary General Meeting of Shareholders her appointment as an independent Director of the Company for the four-year term set forth in the Company Bylaws.

2.6. Appointment of Mr Manuel Puig Rocha

As a result of this appointment, Puig, S.A., one of the Company's major shareholders, will have a representative on the Board of Directors, which the Appointments and Remuneration Committee considers a suitable representation in view of the Company's shareholding structure.

The Appointments and Remuneration Committee has taken into consideration the experience, merits and competence, as well as the education and professional profile, of Mr Manuel Puig Rocha for the purposes of his appointment, based on the following:

- Mr Manuel Puig Rocha has held a number of positions of responsibility throughout his career, proving his merits and ability to help run the Company in an adequate and prudent manner.

Academic profile and career

Manuel Puig Rocha is an industrial engineer with over 35 years' experience at Puig (his work has included product development and a number of positions in marketing, creating several international subsidiaries, managing several of the company's fashion brands, managing the creation of what is now the Derma division, and being involved in significant acquisition processes at Puig over the last ten years). After forming a joint venture with Prada for the development of fragrances, he sat on the Board of Directors of Prada N.V. (2002-2006).

He has been a member of the Board of Directors of Puig since 1999 and Vice Chairman of the same company since 2007. He has been Chief Sustainability Officer at Puig and Chairman of its ESG Committee since February 2021.

He is also a member of the Boards of Directors of Exea Empresarial, Isdin and Flamagas; a member of the Management Board of Reial Automòbil Club de Catalunya; a member of the Advisory Board of GBI (Georgetown University) (since 2016), and a member of the Supervisory Board of Iris Ventures (VC). He is actively involved in ESG matters with various organisations: he is a member of the Board of Trustees of Fundació Empresa y Clima; and he takes part in various internationally renowned climate forums.

In view of the above, the Appointments and Remuneration Committee considers that Mr Manuel Puig Rocha has the necessary knowledge, skills and specific competencies, as well as the necessary merits and experience, and meets the requirements of good standing, suitability, reliability, availability and engagement for the tasks in his role, and therefore provides the Board of Directors with a report supporting his appointment as a proprietary Director, at the next General Meeting of Shareholders, for the four-year term set forth in the Company Bylaws.

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This report was drawn up and approved by the Appointments and Remuneration Committee at its meeting of 9 May 2023.