

**APPENDIX I TEMPLATE**

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

**ISSUER IDENTIFICATION DATA**

REFERENCE REPORTING DATE

31/12/2024

**Tax Identification**

Company Name:

INMOBILIARIA COLONIAL, SOCIMI, S.A.

Registered Office:

PASEO DE LA CASTELLANA 52, MADRID

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

**A. OWNERSHIP STRUCTURE**

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

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

NO  [X]

YES  [ ]

Date of the last change to the share capital	Share capital (€)	Number of shares	Number of voting rights (excluding additional loyalty votes)	Number of additional voting rights attached to shares with loyalty voting rights	Total number of voting rights, including additional votes conferred as loyalty votes
03/07/2024	1,568,361,717.50	627,344,687	627,344,687	N/A	627,344,687

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

Yes  [ ]

No  [X]

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

Name or company name of the shareholder	% voting rights attached to the shares (including loyalty votes)		% voting rights through financial instruments		% total voting rights	Of the total number of voting rights attached to the shares, indicate any additional votes attached to shares with loyalty voting rights	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
BLACKROCK INC	0	2.91	0	0.23	3.14	N/A	N/A
CORPORACIÓN FINANCIERA ALBA, S.A.	0	5.01	0	0	5.01	N/A	N/A
CREDIT AGRICOLE S.A.	0	3.59	0	0	3.59	N/A	N/A
FERNANDEZ GONZALEZ, CARLOS	0	12.76	0	0	12.76	N/A	N/A
FUNDACION BANCARIA CAIXA D'ESTALVIS I PENSIONS DE BARCELONA	0	17.32	0	0	17.32	N/A	N/A
PUIG, S.A.	0	8.05	0	0	8.05	N/A	N/A

QATAR INVESTMENT AUTHORITY	0	16.37	0	0	16.37	N/A	N/A
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Observations
<p>The percentages in the table above were calculated according to the information sent to the CNMV as of 31 December 2024, adjusting them to Colonial's share capital and number of shares as at 31 December 2024.</p> <p>Mr Carlos Fernández González has close ties with Finaccess México, S.A. de C.V., Sociedad Operadora de Fondos de Inversión, which has an indirect stake of 0.039% in Colonial's share capital. The direct holder of the stake is Latin 10, S.A. de C.V., a fund independently managed by Finaccess México, S.A. de C.V.</p>

Details of the indirect stake:

Name or company name of the indirect holder	Name or company name of the direct holder	% voting rights attached to the shares (including loyalty votes)	% voting rights through financial instruments	% total voting rights	Of the total number of voting rights attached to the shares, indicate any additional votes attached to shares with loyalty voting rights	
BLACKROCK INC	BLACKROCK HOLDING	2.91	0.23	3.14	N/A	N/A
CORPORACIÓN FINANCIERA ALBA, S.A.	ALBA EUROPE, SARL	5.01	0	5.01	N/A	N/A
CREDIT AGRICOLE, S.A.	PREDICA	3.59	0	3.59	N/A	N/A
FERNANDEZ GONZALEZ, CARLOS	FINACCESS INMOBILIARIA, S.L.	11.47	0	11.47	N/A	N/A
FUNDACION BANCARIA CAIXA D'ESTALVIS I PENSIONS DE BARCELONA	CRITERIA CAIXA, S.A.U.	17.32	0	17.32	N/A	N/A
PUIG, S.A.	EXEA INVERSIONES INMOBILIARIAS, S.L.	8.05	0	8.05	N/A	N/A
QATAR INVESTMENT AUTHORITY	QATAR HOLDING NETHERLANDS BV	12.90	0	12.90	N/A	N/A
QATAR INVESTMENT AUTHORITY	DIC HOLDING LLC	3.47	0	3.47	N/A	N/A

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

Most significant movements
<p>(1) On 3 July 2024, Fundacion Bancaria Caixa D'Estalvis i Pensions De Barcelona, through Criteria Caixa, S.A.U., became the Company's principal shareholder with a 17.32% stake in its share capital.</p> <p>(2) In November 2024, Aguila LTD ceased to be a shareholder after the accelerated bookbuild offered by Park S.à r.l. and Sierra Nevada (Bermuda) LP. (companies controlled by Aguila LTD) for its shares in Colonial.</p> <p>(3) On 29 February 2024, Corporación Financiera Alba, S.A. reported to the market that it had sold its 5.006% share to Alba Europe, SARL, which is fully owned by Corporación Financiera Alba, S.A.</p> <p>(4) On 23 December 2024, Blackrock Inc. informed the market that the voting rights attached to its shares had fallen below the 3% threshold.</p>

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

Name or company name of the director	% voting rights attached to the shares (including loyalty votes)		% voting rights through financial instruments		% total voting rights	Of the % of total voting rights that may be transferred through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Mr Juan José Brugera Clavero	0.09	0.00	0.00	0.00	0.09	0.00	0.00
Mr Pedro Viñolas Serra	0.09	0.00	0.00	0.00	0.09	0.00	0.00
Ms Ana Peralta Moreno	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ms Silvia Alonso-Castrillo Allain	0.00	0.00	0.00	0.00	0.00	0.00	0.00

<b>% of total voting rights held by members of the Board of Directors</b>	12.94%
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Observations
<ul style="list-style-type: none"> <li>- This section does not include the share of director Mr Carlos Fernández González as it is already included in section A.2 above, but his share is taken into account in the aggregate percentage of voting rights owned by members of the Board of Directors.</li> <li>- All the directors reported on in this section have voting rights on company shares, although in some cases this stake is under 0.01% of the share capital of Inmobiliaria Colonial, SOCIMI, S.A.</li> </ul>

Details of the indirect stake:

Name or company name of the director	Name or company name of the direct holder	% voting rights attached to the shares (including loyalty votes)	% voting rights through financial instruments	% total voting rights	% total voting rights that may be transferred through financial instruments
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Details of the total percentage of voting rights represented in the Board of Directors:

<b>% of total voting rights represented in the Board of Directors</b>	54.69%
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Observations
Shareholdings held by significant shareholders that have Board representation but do not have direct director status: --Criteria Caixa, S.A.U. 17.32% - Puig, S.A.: 8.05% - Qatar Investment Authority: 16.37%

**A.4** Indicate, as applicable, any family, commercial, contractual or corporate relationships between

owners of significant stakes, insofar as these are known by the company, unless they are insignificant or arise from ordinary trading or exchange activities, except for those reported in section A.6:

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

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

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

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

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

Name or company name of the related director or representative	Name or company name of the related significant shareholder	Company name of the significant shareholder's group company	Description of the relationship/position
Ms Begoña Orgambide García	Grupo Finaccess S.A.P.I. de C.V.	Finaccess Inmobiliaria, S.L.	Board member
Ms Begoña Orgambide García	Grupo Finaccess S.A.P.I. de C.V.	Finaccess Capital Inversores, S.L.	Board member
Mr Carlos Fernández González	Grupo Finaccess, S.A.P.I. de C.V.	Grupo Finaccess, S.A.P.I. de C.V.	President – General Manager
Sheikh Ali Jassim M.J. Al-Thani	Qatar Investment Authority	Al Nura Bank	Director
Sheikh Ali Jassim M.J. Al-Thani	Qatar Investment Authority	26 Champs Elysees	Director
Sheikh Ali Jassim M.J. Al-Thani	Qatar Investment Authority	Hapag-Lloyd	Director
Mr Giuliano Rotondo	Qatar Investment Authority	Qatar Investment Authority	Director
Mr Giuliano Rotondo	Qatar Investment Authority	Coima Res S.p.A.	Director
Mr Giuliano Rotondo	Qatar Investment Authority	Nova Bocana Barcelona, S.A.	Director
Mr Manuel Puig Rocha	Exea Inversiones Inmobiliarias, S.L.	Quaestor Holdings, S.A.	Vice-Chair
Mr Felipe Matías Caviedes	Criteria Caixa, S.A.U.	Criteria Caixa, S.A.U.	Officer
Ms Elena Salgado Méndez	Criteria Caixa, S.A.U.	Criteria Caixa, S.A.U.	Adviser

Observations

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

Yes [ ]

No [X]

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

Yes [ ]

No [X]

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

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

Yes [ ]

No [X]

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

**At year-end:**

Number of direct shares	Number of indirect shares (*)	Total % of share capital
9,376,122	[N/A]	1.49%

**(\*) Through:**

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

Explain the significant changes that occurred during the year:

Explain the significant changes
<p>Sale and purchase transactions were carried out in 2024 through a financial intermediary (Banco Sabadell) pursuant to a liquidity contract signed on 4 January 2022. In particular, a total of 19,199,909 shares were purchased, and 19,143,188 sold, in 2024.</p> <p>In addition, a total of 255,629 shares were awarded to Colonial employees in 2024.]</p> <p>In July 2024, as part of the capital increase subscribed by Criteria and its dependent companies, 3,418,735 treasury shares were delivered as part of the "dividend adjustment" agreed upon in the July 2024 transaction.</p> <p>Lastly, in November 2024, the Company bought back 5,000,000 treasury shares making up 0.80% of its share capital within the framework of the accelerated bookbuild offered by Park S.à r.l. and Sierra Nevada (Bermuda) LP. (companies controlled by Aguila LTD).</p>

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

At its meeting on 21 June 2022, the General Meeting of Shareholders of Colonial granted authorisation to the Board of Directors for the derivative acquisition of treasury shares under item five of the agenda. As to the terms and conditions of
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the authorisation: i) the par value of the shares directly or indirectly acquired, in addition to those already held by the Company and its subsidiaries, may not exceed 10% of the subscribed share capital or any maximum amount that may be established by law; ii) the minimum price or consideration for the acquisition shall be €0.01 per share, and the maximum price or consideration for the acquisition shall be the equivalent of the listing price of the treasury shares acquired on an official regulated secondary market at the time of acquisition plus a maximum of 5%, which may be increased to up to 25% above the share price if the treasury shares are acquired by means of a public offer to all shareholders; iii) the procedure for acquisition may be sale and purchase, swap or any other type of transaction for consideration, as may be advisable in the circumstances; and iv) the authorisation is given for 5 years. The authorisation granted expressly provides that the shares acquired may be used in whole or in part for delivery or transfer to the directors, executives or employees of the Company or Group companies, directly or as a result of their option rights, within the scope of the Company's share price-based remuneration systems.

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

In addition to the foregoing, the General Meeting of Shareholders of Inmobiliaria Colonial, SOCIMI, S.A., at its meeting of 30 June 2021, authorised the Board of Directors, under item six of the agenda, to issue on behalf of the Company, once or several times and for a maximum period of five years, new bonds that can be converted into Company shares or other similar securities giving their holder the direct or indirect right to subscribe for shares in the Company, with the express option to disapply shareholders' pre-emptive rights up to a maximum of 20% of the share capital at the time of the authorisation, and to increase the share capital as may be necessary to cater for the conversion.

**A.11** Estimated floating capital:

	%
<b>Estimated floating capital</b>	32.09%

<b>Observations</b>

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

Yes [ ]

No [X]

<b>Description of the restrictions</b>

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

Yes [ ]

No [X]

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

<b>Explain the measures approved and the terms under which these restrictions may be lifted</b>

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

Yes [ ]

No [X]

Where applicable, state the various classes of shares, and the rights and obligations attached

to each class.



## B. GENERAL MEETING

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

Yes [ ]

No [X]

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

Yes [ ]

No [X]

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

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

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

Date of the General Meeting	Attendance information				
	% attendance	% attendance by proxy	% distance voting		Total
			Electronic voting	Other	
13/06/2024	1.80	64.67	0.01	18.32	84.80
<b>Of which floating capital:</b>	0.16	21.81	0.01	0.84	22.82
12/06/2024 <sup>1</sup>	1.71	61.91	0.00	17.7	81.32
<b>Of which floating capital:</b>	0.17	22.64	0.00	0.22	23.03
15/06/2023	1.88	59.57	0.00	18.1	79.55
<b>Of which floating capital:</b>	0.16	25.26	0.00	1.2	26.62
21/06/2022	1.87	71.73	0.00	10.13	83.73
<b>Of which floating capital:</b>	0.14	31.99	0.00	0.00	32.13

(1) Extraordinary General Meeting

**B.5** Specify if there have been any items on the agenda at the General Meetings held during the year

that, for whichever reason, were not adopted by the shareholders.

Yes [ ]

No [X]

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

Yes [X]

No [ ]

<b>Number of shares required to attend general meetings</b>	500
<b>Number of shares needed to vote remotely</b>	1

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

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

Yes [ ]

No [X]

**B.8** Indicate the address and mode of accessing corporate governance content on the company’s website, as well as other information on general meetings which must be made available to shareholders on the Company website.

<p>Web URL: <a href="https://www.inmocolonial.com/en/shareholders-and-investors/shareholders-and-investors">https://www.inmocolonial.com/en/shareholders-and-investors/shareholders-and-investors</a></p> <p>Through this web page, both shareholders and the general public can access all legally required information on Corporate Governance (“Corporate Governance” section on <a href="https://www.inmocolonial.com/en/shareholders-and-investors/corporate-governance">https://www.inmocolonial.com/en/shareholders-and-investors/corporate-governance</a>) and other information related to the General Meetings (“General Meetings” section under the “Corporate Governance” on <a href="https://www.inmocolonial.com/en/shareholders-and-investors/corporate-governance/general-meetings">https://www.inmocolonial.com/en/shareholders-and-investors/corporate-governance/general-meetings</a>), as well as any other information that the Company deems necessary for greater transparency and to better comply with the best market practices on corporate governance.</p>
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**C. STRUCTURE OF THE COMPANY'S GOVERNING BODY**

**C.1 Board of Directors**

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

<b>Maximum number of directors</b>	15
<b>Minimum number of directors</b>	5
<b>Number of directors stipulated by the General Meeting</b>	14

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

<b>Name or corporate name of the Director</b>	<b>Representative</b>	<b>Category of the Director</b>	<b>Position on the board</b>	<b>Date of first appointment</b>	<b>Date of last appointment</b>	<b>Appointment procedure</b>
Mr JUAN JOSÉ BRUGERA CLAVERO		OTHER EXTERNAL	CHAIRMAN	19/06/2008	21/06/2022	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Mr PEDRO VIÑOLAS SERRA		EXECUTIVE	CEO AND VICE-CHAIRMAN	18/07/2008	21/06/2022	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
SHEIKH ALI JASSIM M. J. AL-THANI		PROPRIETARY	DIRECTOR	12/11/2015	13/06/2024	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Mr GIULIANO ROTONDO		PROPRIETARY	DIRECTOR	18/10/2023	13/06/2024	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Mr CARLOS FERNÁNDEZ GONZÁLEZ		PROPRIETARY	DIRECTOR	28/06/2016	13/06/2024	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Ms BEGOÑA ORGAMBIDE GARCÍA		PROPRIETARY	DIRECTOR	27/09/2022	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Mr MANUEL PUIG ROCHA		PROPRIETARY	DIRECTOR	15/06/2023	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Ms ELENA SALGADO MÉNDEZ		PROPRIETARY	DIRECTOR	12/06/2024	12/06/2024	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Mr FELIPE MATÍAS CAVIEDES		PROPRIETARY	DIRECTOR	12/06/2024	12/06/2024	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Ms SILVIA MÓNICA ALONSO-CASTRILLO ALLAIN		INDEPENDENT	DIRECTOR	24/01/2019	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS

Name or corporate name of the Director	Representative	Category of the Director	Position on the board	Date of first appointment	Date of last appointment	Appointment procedure
Ms ANA BOLADO VALLE		INDEPENDENT	DIRECTOR	14/06/2019	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Ms ANA PERALTA MORENO		INDEPENDENT	DIRECTOR	14/06/2019	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS
Ms MIRIAM GONZÁLEZ-AMÉZQUETA LÓPEZ		INDEPENDENT	DIRECTOR	15/06/2023	15/06/2023	RESOLUTION BY THE GENERAL MEETING OF SHAREHOLDERS

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

Name or company name of the director	Category of director at date of departure	Date of last appointment	Date of departure	Special committees the director was a member of	Indicate whether the director left before the end of their term in office
Mr LUIS MALUQUER TREPAT	INDEPENDENT	21/06/2022	9/05/2024	- Executive Committee; - Audit and Control Committee - Appointments and Remuneration Committee; and - Sustainability Committee	Yes
Mr JUAN CARLOS GARCÍA CAÑIZARES	PROPRIETARY	27/09/2022	11/9/2024	- Executive Committee - Appointments and Remuneration Committee	Yes

<b>Reason for departure if it occurs before the end of the term in office and other remarks; information on whether the director has sent a letter to the other members of the board and, in the case of the removal of non-executive Directors, an explanation or opinion of the director removed by the general meeting</b>
<p>Mr Luis Maluquer tendered his resignation as he believed the time had come to end a cycle in his career, as his time as Director was now approaching the maximum period stipulated in the regulations for a Director to be considered independent.</p> <p>On the other hand, Mr Juan Carlos García Cañizares tendered his resignation as he believed that his professional circumstances will prevent him from dedicating enough time to carry out his role as Company Director appropriately.</p> <p>Both Mr Luis Maluquer and Mr Juan Carlos García sent letters to the Board of Directors informing it of the reasons behind their resignation.</p>

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

#### EXECUTIVE DIRECTORS

Name or company name of director	Position in the company organisation chart	Profile

Mr Pedro Viñolas Serra	Vice Chairman and Chief Executive Officer	<p>He is a graduate in Business Management and MBA from ESADE and Universidad Politécnic de Cataluña, and holds a Diploma in Business Management from Universidad de Barcelona, where he also studied Law.</p> <p>In 1990, Pedro Viñolas began to work as Director of the Research Department at the Barcelona Stock Exchange, of which he later became Deputy Managing Director, where he remained until 1997. He then took up duties as Managing Director of FILO, S.A., a listed real estate company, where he remained until 2001. Subsequently, until July 2008, he was Partner and CEO at the Riva y García Financial Group.</p> <p>He has been Chairman of the Urban Land Institute in Spain and a member of the Board of Directors of the Riva y García Financial Group. He was also Chairman of the Spanish Institute of Financial Analysts in Catalonia from 1994 to 2000. He is currently the Chairman of the Board of Directors of Société Foncière Lyonnaise. He is a member of the Board of Trustees of ESADE, a member of the Board of Directors of Bluespace, S.A., and a member of the Board of Directors of the European Public Real Estate Association (EPRA). In addition, he has been a member of the Board of Directors of Banco Sabadell since 2023.</p>
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Total number of executive directors	1
% of the total board	7.69

#### **EXTERNAL PROPRIETARY DIRECTORS**

Name or company name of director	Name or company name of the significant shareholder who is represented or has proposed the appointment	Profile
Mr Giuliano Rotondo	Qatar Investment Authority	<p>Mr Rotondo graduated magna cum laude in Economics and Financial Market Management at Bocconi University (Milan, Italy) in 2004.</p> <p>He has 20 years of experience in the real estate sector. He joined the QIA group in 2012 and is currently its head of real estate for Europe. Before that, he worked at Morgan Stanley's real estate group, holding a number of roles in the acquisitions and asset management teams.</p> <p>Over the course of his career, Mr Rotondo has completed real estate transactions for over \$15 billion in a variety of territories (Europe, Central and Eastern Europe, the United States and other markets) and industries. Since his arrival he has led and been responsible for some of QIA's major real estate investments.</p>
Sheikh Ali Jassim M. J. Al-Thani	Qatar Investment Authority	<p>Born in Qatar. He has a degree in Economics and Political Science from the University of Portland (Oregon, USA). He has been working in collaboration with the Government of Qatar, mainly in the fields of trade, finance and real estate, for more than 30 years. He has been a Senior Advisor on Strategy and Investments since 2007.</p> <p>He was vice president and member of the Board of Directors and of the Executive Committee of Housing Bank for Trade and Finance of Jordan (the second most important bank in Jordan) until 2016. He was a member of the Board of Directors and vice president of the United Arab Shipping Company in Dubai (UAE) from 2003 to 2016. He has been vice president of the Libyan Qatari Bank since 2007, and in 2009 he was appointed chairman and managing director of Qatar Navigation (where he was a member of the Board of Directors from 2003 to 2016). Qatar Navigation operates in the field of shipping and real estate.</p>

		<p>Since 2012, he has been a member of the Board of Directors of Qatar Abu Dhabi Investment Company, a company specialising in real estate investments and private equity. In November 2015, he was appointed director of SFL.</p>
Mr Carlos Fernández González	Grupo Finaccess, S.A.P.I. de C.V.	<p>An industrial engineer, he has followed senior management programmes at Instituto Panamericano de Alta Dirección de Empresa.</p> <p>For more than 30 years he has held positions of substantial responsibility, complexity and skills in the management of companies in various sectors. He was CEO (1997-2013) and Chairman of the Board of Directors (2005-2013) of Grupo Modelo. Between his appointment as CEO and 2013, this Group became the leading beer company in Mexico, the seventh group in the world and the largest beer export company in the world.</p> <p>Furthermore, he has been a Director in international and national companies, including Anheuser Busch (USA), Emerson Electric Co. (USA), Televisa Group (Mexico), Crown Imports, Ltd. (USA), Inbursa (Mexico) and Mexico Stock Exchange. Likewise, he was also a member of the international advisory board of Banco Santander, S.A. (Spain), Director of Grupo Financiero Santander México S.A.B de C.V. and, until October 2019, Director of Banco Santander, S.A. (Spain).</p> <p>He is currently Chairman of the Board of Directors and general manager of Grupo Finaccess S.A.P.I. de C.V. (which he founded), which operates in Mexico, the United States, Europe, China, Australia and New Zealand. In addition to his position at Inmobiliaria Colonial, SOCIMI, S.A. he is director of Restaurant Brands New Zealand Limited.</p>
Ms Begoña Orgambide García	Grupo Finaccess, S.A.P.I. de C.V.	<p>Ms Orgambide has a Bachelor's Degree in Management and Finance with honours and a Master's Degree in Investment Project Evaluation, both of them from the Panamerican University in Mexico. She has a Diploma in Corporate Reputation and Communication from Anáhuac University and has successfully completed the International Senior Management Programme taught by Instituto Tecnológico Autónomo de México (ITAM) in partnership with Kellogg, Stanford and Ashridge.</p> <p>She has worked mainly in finance, primarily analysing companies' financial situation, project viability and profitability and on the implementation of financial and corporate communication strategies for investors and analysts.</p> <p>Ms Orgambide has been Head of Investor Relations at both 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&amp;A.</p> <p>She is currently Head of Investor Relations at Finaccess Capital, S.A. de C.V., where she has worked on investment analysis, mainly in the restaurant and real estate sector, and on evaluations of returns. She is also responsible for designing and implementing the communication strategy on the financial status and performance of investments for the group of investors.</p> <p>In addition, she sits on the Boards of Directors of the companies FCapital Dutch, Finaccess Restauración, Finaccess Inmobiliaria, Finaccess Capital Inversores and Atrides, all of which are subsidiaries of Finaccess Capital and invest directly in restaurant and real estate companies. She is also a member of the Board of Directors of AmRest Holdings SE.</p>
Mr Manuel Puig Rocha	Puig, S.A.	<p>He graduated as an Industrial Engineer from the Polytechnic University of Catalonia (UPC). Manuel Puig has held several executive positions in Puig for over 35 years. During his career in Puig, Manuel Puig was the manager for several brands and</p>

		during the last ten years, he took on a very active role in the purchase processes that drove the inorganic growth of Puig. Manuel Puig has been vice president of Puig and a member of its Board of Directors since 2007. He has also been the Chairman of the ESG Committee of its Board of Directors since February 2021. He is also a member of the Board of Directors of Exea Empresarial, Isdin, Flamagas, Fluidra and RACC.
Ms Elena Salgado Méndez	Criteria Caixa, S.A.U.	<p>She holds a degree in Industrial Engineering specialising in Energy Techniques and Industrial Organisation, as well as a degree in Economics specialising in Economic Structure, and an MBA from EOI Business School.</p> <p>She has held a variety of positions in the public sector, including Director-General of the Ministry of Economy and Finance (1985 to 1991), Secretary of State for Communications in the Ministry of Public Works (1991 to 1996), Minister of Health and Consumer Affairs (2004 to 2007), Minister of Public Administrations (2007 to 2009), Member of the Spanish Parliament for Cantabria (2008 to 2011), and Vice President of the Government and Minister of Economy and Finance (2009 to 2011). In the private market she was Managing Director of Lenzi Consulting (1997 to 2004) and Chair of the Spanish Association of Consulting Companies (2016 to 2023). She has also been a member of the Boards of Directors of several companies, including Hispasat, Hunosa, Renfe, Abertis Telecom and Telefónica.</p> <p>She currently sits on the Board of Directors of Saba Infraestructuras, S.A. and is President of the Abertis Foundation.</p>
Mr Felipe Matías Caviedes	Criteria Caixa, S.A.U.	<p>He holds a degree in Economics and Business Studies from the University of Valladolid. He has a University Expert qualification in Accounting and Auditing from the University of Alcalá and an Advanced Management Programme (AMP) qualification from the Instituto de Empresa.</p> <p>He has gained most of his professional experience in the field of finance, particularly in investee portfolio management, business valuation and financial and investment analysis.</p> <p>He started his career at Arthur Andersen (2000 to 2006), working in auditing in the products and services sector. Since then, he has held leadership positions as head of investments in investee companies at Caja de Burgos (2006 to 2010) and Banca Cívica (2010 to 2012), where he was involved in the implementation of investment policies and carrying out M&amp;A operations.</p> <p>He has been Head of Investments at CriteriaCaixa since 2012, where he is responsible for analysing, carrying out and monitoring investment strategy in a variety of sectors.</p> <p>He has sat on several Boards of Directors in industrial and real estate companies.</p>

<b>Total number of proprietary directors</b>	7
<b>% of the total board</b>	53.85%

### **EXTERNAL INDEPENDENT DIRECTORS**

<b>Name or company name of director</b>	<b>Profile</b>
Ms Ana Bolado Valle	She holds a degree in Pharmacy from the Madrid Complutense University, and also a Master's Degree in Business Administration (MBA) from IE Business School.

	<p>In the course of her professional career, Ms Ana Bolado Valle has held various management positions at Santander Group (1986-2017), managing important business areas both wholesale and retail, digital transformation projects and key areas for the Group such as Corporate Human Resources Division between 2005 and 2010. She has also been a Board member of Parques Reunidos Servicios Centrales, S.A. and Unicaja Banco, S.A.</p> <p>Currently Ms Ana Bolado Valle is a proprietary Director of Metrovacesa, S.A., appointed at the proposal of Banco Santander, S.A., Caceis Group and Caceis Bank. With regard to the latter organisation, Ms Ana Bolado is a member of the following committees: Strategy, Audit, Risks and Compliance and Appointments and Remunerations. Furthermore, she is a Senior Advisor for Fellow Funders -an equity crowdfunding platform to support the funding of start-ups and SMEs- and a member of the Instituto de Consejeros y Administradores (ICA, Institute of Directors and Administrators) and of Women Corporate Directors.</p>
Ms Ana Peralta Moreno	<p>She holds a degree in Economics and Business Administration from the Madrid Complutense University and a Master's Degree in Financial Management from CEF (1991), and studied the PMD Programme (Programme for Management Development) at Harvard Business School (2002) and the PADE programme at the IESE business school (2016).</p> <p>Ms Ana Peralta is currently an independent Director of BBVA and Grenergy Renovables, S.A.</p> <p>She has extensive experience in the financial sector. She began her professional career with Bankinter in 1990, where she worked in extremely different areas until late 2008. She headed up Bankinter's first Internet Office and ran the Chairman's Office. During her last years at the bank, she was Chief Risk Officer and a member of the Management Committee.</p> <p>From 2009 to 2012 she sat on the Management Committee at Banco Pastor, where she worked as General Manager of Risk.</p> <p>From 2012 to 2018 Ms Ana Peralta divided her time between a post as Senior Advisor with Oliver Wyman Financial Services and was a member of several boards of directors. She was an independent Director at Banco Etcheverría, at Deutsche Bank, SAE and also at Lar Holding Residencial.</p>
Ms Silvia Mónica Alonso Castrillo Allain	<p>Holds a degree in Political Sciences from the Sciences Po University (Paris) and a Master's Degree in Spanish and Latin American Studies from the Paris-Sorbonne University. By civil service examination, she became a teacher of Spanish studies in France. She has been teaching and researching for 25 years (1984-2009) in a number of French academic institutions: University of Toulouse, Sciences Po and the ESSEC Business School. Author of several books on history and contemporary Spanish politics.</p> <p>Ms Alonso-Castrillo worked for the French Embassy in Singapore as a science and culture advisor, before being appointed regional director of INSEAD. She supervised the development of two campuses in Singapore: the French Lycée and INSEAD (1996-1999).</p> <p>Upon her return to Europe in 2000, she worked for 15 years with ESSEC, managing international development and fundraising for the business school, which also opened a campus in Singapore.</p> <p>In 2007 she founded the consulting firm Sociedad de Estudios Hispano Franceses, S.L. in Madrid, which she led until 2019 and of which she is the sole shareholder and director. Since 2013, Ms Alonso-Castrillo has run the family farm in the Loire Valley of France.</p> <p>She has served on the Board of the 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 from Koiki Home S.L. from 2017 to February 2023.</p>
Ms Miriam González-Amézqueta López	<p>She holds a double degree in Law and Economics and Business Studies (E-3) from Comillas Pontifical University (ICADE).</p> <p>Ms Miriam González-Amézqueta embarked on her professional career in 1989 as a financial analyst for Santander Investment S.V.B (BSN), where she stayed until 2000. Following the merger between BSN and BCH, she was equities manager at the resulting</p>



	<p>brokerage company.</p> <p>Between 2000 and 2008 she was managing director at Lehman Brothers International Europe and, after that, managing director at Lehman Brothers Plc. Branch in Spain. In addition, and among other roles, she was equities manager for the Spanish and Portuguese offices. She was also a member of the European Equities Executive Committee, the Management Committee of Iberia, the Integration and Diversity Committee in London, the European Selection and Recruitment Team, and the "Lehman Faculty", speaking at internal courses held in London and New York, and chairwoman of the Southern Europe Integration and Diversity Committee. Between 2008 and 2011, following Nomura International Europe's acquisition of Lehman Brothers, she was Managing Director Head of Equities in Spain for European, American and Asian shares.</p> <p>During 2012, she completed the Digital Business Executive Programme at ISDI.</p> <p>In 2013 she founded Alamir Servicios Financieros, of which she is a shareholder, to invest in start-ups, mainly Fintech companies, with the strategy of being actively involved in their management and subsequent development at a global level.</p> <p>Currently Ms Miriam González-Amézqueta has been an independent Director on the Boards of Deutsche Bank S.A.E. and the MIO Group since February 2017 and June 2021 respectively, and of NH Hotel Group since June 2023. At Deutsche Bank S.A.E., she also chairs the Risk and Remuneration Committees and is a member of the Audit and Appointments Committees. She also chairs the Audit Committee and the Remuneration and Appointments Committee of the MIO Group. Finally, she is also Chair of the Audit and Control Committee of NH Hotel Group.</p>
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<b>Total number of independent Directors</b>	4
<b>% of the total board</b>	30.77

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

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

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

#### **OTHER EXTERNAL DIRECTORS**

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

Name or company name of the director	Reasons	Company, officer or shareholder to which this person is linked	Profile
Mr Juan José Brugera Clavero	He was an executive Director of the Company until 30 April 2022.	Inmobiliaria Colonial SOCIMI S.A.	<p>Chairman of Inmobiliaria Colonial, SOCIMI, S.A. since 2008, and previously held the position of CEO from 1994 to 2006. Chairman of Société Foncière Lyonnaise between 2010 and April 2022.</p> <p>Previously he was Chief Executive Officer of Mutua Madrileña, CEO of SindiBank and Deputy General Manager</p>

			<p>of Banco de Sabadell.</p> <p>Other positions: He has been Chairman of the Board of Trustees of Universidad Ramón Llull (URL); Chairman of the ESADE Foundation, Panrico, Holditex and the Círculo de Economía in Barcelona, and director of El Periódico de Catalunya.</p> <p>He is an Industrial Technical Engineer and holds an MBA from ESADE. PDG from IESE and Honorary Doctorate from the University of Rhode Island.</p>
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<b>Total number of external directors</b>	1
<b>% of the total board</b>	7.69

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

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

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

	Number of female board members				% of total directors of each category			
	Fiscal Year 2024	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2024	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021
<b>Executive</b>	0	0	0	0	0.00	0.00	0.00	0.00
<b>Proprietary Directors</b>	2	1	1	0	28.57	16.67	20.00	0.00
<b>Independent Directors</b>	4	4	3	3	100.00	80.00	75.00	75.00
<b>Other External Female Directors</b>	0	0	0	0	0.00	0.00	0.00	0.00
<b>Total:</b>	6	5	4	3	46.15	38.46	36.36	27.27

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

Yes  No  Partial policies

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

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

Description of policies, targets, measures and way they have been implemented, as well as their outcome.
<p>The Company has a Selection and Diversity Policy laying down strict parameters for its application. This Policy is applicable to the appointment and re-election of candidates to the Board of Directors and is based on the principles of diversity and balance in the composition of the Board of Directors, within the general objective of providing effectiveness and professionalism to the operation of this body and increasing the quality of corporate management. In accordance with the Selection and Diversity Policy, the selection of candidates for directorship will require a prior analysis of the Company's needs, which will be carried out by the Board</p>

of Directors based on a report by the Appointments and Remuneration Committee (“ARC”). In this process, individuals will be sought who meet the requirements of professional and personal qualifications and honesty, as well as capacity, set out in the Policy. Upon recruiting such candidates, the Board will make sure that the selection processes foster diversity in age, gender, disability, education and work experience in the Board of Directors. Furthermore, the Selection and Diversity Policy also includes as a target that the appointment of Directors should meet the general criteria on the composition of the Board of Directors, in particular, having a balanced number of executive Directors, proprietary and independent Directors, subject to the principles and recommendations listed in the GGC.

In 2020, at the proposal of the ARC, a request to modify the Selection and Diversity Policy was submitted to the Board for approval to align the policy with the new recommendations of the Good Governance Code for listed companies, approved by the Spanish Securities Market Commission (CNMV) in June 2020. In addition to the modification regarding gender diversity, one of the most significant changes is the inclusion of age as a criterion for the selection of directors. Over the last few years, the Company has been developing a specific plan to implement the aforementioned policy and this has produced a positive result by bringing diversity to the Board of Directors in terms of age, gender, qualifications and professional expertise. In particular, the number of female directors on the Board of Directors has increased over 2022, 2023 and 2024 and now has three times more female directors than in 2019. Therefore, in 2024, following an analysis of the composition of the Board, its needs and the Company’s shareholder structure, the Board of Directors proposed appointing Ms Elena Salgado Méndez as new member of the Board of Directors.

The Company will also comply with its duties to ensure gender equality as added to the Spanish Limited Liability Companies Law through the Gender Equality Law, making sure that the Board of Directors is always made up of at least forty percent of the underrepresented sex or any other percentage stipulated in the applicable regulations at the time. In this regard, by the end of 2024, the Company had met its diversity goals by increasing the number of female directors and having 46.15% of women on the Board of Directors, thus complying with the best practices in good governance and the Spanish Limited Liability Companies Law.

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

Explanation of the measures
<p>Under Article 529 bis of Spain’s Limited Liability Companies Act and Article 9 of the Board Regulations, the Appointments and Remuneration Committee (“ARC”) has ensured in 2024 that the selection procedures for its members encourage diversity and are not implicitly biased in such a way as to entail any discrimination and, in particular, that they foster the selection of sufficient female directors to bring about a balanced ratio of women and men.</p> <p>The Selection and Diversity Policy is based on the principles of diversity and equality for the composition of its Board of Directors as part of its general aim to inject effectiveness and professionalism into the running of such Board and improve the quality of the corporate management. In this regard, the Company, in the directors’ election or re-election processes, always strives to find the right balance and, since the amendments introduced by the Gender Equality Law into the Spanish Limited Liability Companies Law came into effect, the Company aims to guarantee that the Board of Directors is made up of at least forty percent of the underrepresented sex or any other percentage stipulated in the applicable regulations at the time.</p> <p>In accordance with the Selection and Diversity Policy, the directors’ selection process in 2024 involved a prior analysis of the Company’s needs conducted by the Board of Directors and based on a report by the Appointments and Remuneration Committee. In this process, having met the requirements on skills, qualifications and professional and personal good standing, the Board has made sure that the selection processes for new members joining the Board of Directors fosters diversity in their education and professional experience, skills, knowledge, age and gender, and are not implicitly biased in any way that could lead to any discrimination based on gender, age or disability, among others, all in the Company’s best interest. More specifically, any bias that could hinder the appointment of female members to the Board of Directors has been prevented.</p> <p>In addition, in accordance with the Selection and Diversity Policy, the Appointments and Remuneration Committee has continued to pursue its goal of promoting the presence of women on the Board of Directors in 2024.</p> <p>Along these lines, year 2024 witnessed the appointment of Ms Elena Salgado Méndez, which meant that the number of women on the Board of Directors continued to increase up to 46.15%, which meant that the Company had exceeded the 40% goal of female directors on the Board of Directors by the end of 2024. These appointments, along with the resignations tendered over the year, have also resulted in women accounting for 100% of the Company’s independent Directors. It is also worth noting that female participation on the Audit and Control Committee (“ACC”), the ARC and the Sustainability Committee (“SC”) is 100%, which means that these three committees are all chaired by female directors.</p> <p>On the other hand, the Appointments and Remuneration Committee will check compliance with this Policy every year and will report its conclusions to the Board of Directors. In this regard, during 2024, the Appointments and Remuneration Committee checked compliance with the Selection and Diversity Policy and reported favourably to the Board of Directors as described in section C.1.7 of the ACGR.</p> <p>On the other hand, pursuant to this Policy, the Appointments and Remuneration Committee ensured that the Company’s selection process for senior officers fosters diversity in terms of qualifications, professional experience, skills, knowledge, age and gender, and</p>

is not implicitly biased in any way that could lead to discrimination. The Committee has specifically ensured that the selection process for senior officers promotes gender diversity. It is worth mentioning that in 2024, 50% of the senior management positions in the Company were held by women, thus complying with the requirement foreseen in the Spanish Limited Liability Companies Law, which establishes that senior management must be made up of at least 40% of the underrepresented gender.

Therefore, in 2024, the previous goals were met as 46.15% of the members of the Board of Directors and 50% of senior officers were women.

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

Explanation of the reasons
N/A

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

As part of verifying that Colonial's Selection and Diversity Policy is being properly complied with, in 2024, the ARC analysed the composition of the Board of Directors, its needs and the shareholding structure of the Company in order to consider the conditions to be met by directors in the exercise of their duties and the dedication required for their adequate performance, all this as part of various selection processes. The Committee also examined the qualifications of the members of the Board of Directors in accordance with the corporate documents, the Spanish Limited Liability Companies Law and the corporate governance recommendations. In view of the above, after the appointments and ratifications made in 2024, which were supported by the ARC, it is safe to conclude that the ACR has been promoting diversity and an appropriate composition in line with the Board of Directors' needs and is ahead of the goal to ensure that the Board of Directors is made up of at least 40% of the underrepresented gender.

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

Name or company name of the shareholder	Justification
N/A	

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

Yes [ ]

No [X]

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

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

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

Name or company name of the director	Group company name	Position	Does the member have executive functions?
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Mr Pedro Viñolas Serra	Société Foncière Lyonnaise	Chairman	No
Mr Pedro Viñolas Serra	Utopicus Innovacion Cultural, S.L.	Director	No
Mr Pedro Viñolas Serra	Colonial Tramit, S.L.	Natural person representing the sole director, Inmobiliaria Colonial, SOCIMI, S.A.	Yes
Mr Pedro Viñolas Serra	Inmocol One, S.A.U.	Natural person representing the sole director, Inmobiliaria Colonial, SOCIMI, S.A.	Yes
Mr Pedro Viñolas Serra	Inmocol Two, S.L.U.	Natural person representing the sole director, Inmobiliaria Colonial, SOCIMI, S.A.	Yes
Mr Pedro Viñolas Serra	Colonial Lab, S.L.U.	Natural person representing the sole director, Inmobiliaria Colonial, SOCIMI, S.A.	Yes
Mr Pedro Viñolas Serra	Colonial Living, S.L.U.	Natural person representing the sole director, Inmobiliaria Colonial, SOCIMI, S.A.	Yes
Mr Juan José Brugera Clavero	Société Foncière Lyonnaise	Director	No
Sheikh Ali Jassim M.J.Al-Thani	Société Foncière Lyonnaise	Director	No

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

Identification of the director or representative	Company name, whether or not it is a listed company	Position
Ms Ana Bolado Valle	Metrovacesa, S.A.	Board member
Ms Ana Bolado Valle	Caceis Group	Board member
Ms Ana Bolado Valle	Caceis Bank	Board member
Ms Ana Peralta Moreno	Banco Bilbao Vizcaya Argentaria, S.A.	Board member
Ms Ana Peralta Moreno	Grenergy Renovables, S.A.	Board member
Ms Silvia Mónica Alonso-Castrillo Allain	Sociedad de Estudios Hispano Franceses S.L.	Sole shareholder and joint and several director
Mr Pedro Viñolas Serra	Blue Self Storage, S.L.	Director
Mr Pedro Viñolas Serra	Banco de Sabadell, S.A.	Director
Mr Pedro Viñolas Serra	Inmocol Torre Europa, S.A.	Director
Mr Pedro Viñolas Serra	Value Based Management, S.L.	Sole Director
Mr Pedro Viñolas Serra	Fundación ESADE	Trustee
Mr Pedro Viñolas Serra	European Public Real Estate	Director
Sheikh Ali Jassim M.J.Al-Thani	26 Champs Elysees	Director
Sheikh Ali Jassim M.J.Al-Thani	Al Nuran Bank	Chairman
Sheikh Ali Jassim M.J.Al-Thani	Hapag-Lloyd	Director
Sheikh Ali Jassim M.J.Al-Thani	Rayyan Islamic Bank	Independent Director
Sheikh Ali Jassim M.J.Al-Thani	Qatar Insurance and re-insurance co.	Independent Director
Sheikh Ali Jassim M.J.Al-Thani	Libyan Qatari Bank (Nuran Bank)	Vice-Chair
Ms Begoña Orgambide García	Grupo Finaccess S.A.P.I. de C.V.	Member of the Executive Committee
Ms Begoña Orgambide García	FCapital Dutch, S.L.	Board member

Identification of the director or representative	Company name, whether or not it is a listed company	Position
Ms Begoña Orgambide García	Finaccess Restauración, S.L.	Board member
Ms Begoña Orgambide García	Finaccess Inmobiliaria, S.L.	Board member
Ms Begoña Orgambide García	Finaccess Capital Inversores, S.L.	Board member
Ms Begoña Orgambide García	Atrides	Board member
Ms Begoña Orgambide García	AmRest Holdings, S.E.	Board member
Mr Carlos Fernández González	Restaurant Brands New Zealand Limited	Director
Mr Carlos Fernández González	Estudia Mas, S.A.P.I. de C.V. (formerly Promotora de Credito Educativo, S.A.P.I. de C.V.)	Director
Mr Carlos Fernández González	Prepárate, S.A. de C.V.	Director
Mr Carlos Fernández González	Fundación CEPA González Díez	Chairman of the Board of Trustees
Mr Carlos Fernández González	Grupo Finaccess S.A.P.I. de C.V.	President – General Manager
Mr Carlos Fernández González	Endeavor España	Trustee
Mr Carlos Fernández González	Grupo Far-Luca, S.A. de C.V.	President – General Manager
Mr Carlos Fernández González	Ciniia de Mexico, S.A. de C.V.	Chairman of the Board of Directors
Mr Carlos Fernández González	Finacprom, S.A. de C.V.	Chairman of the Board of Directors
Mr Carlos Fernández González	Solidaridad y Trabajo Virgen del Camino, S.L.	Chairman
Mr Carlos Fernández González	Fundación Solidaridad y Trabajo Virgen del Camino	Representative of Finaccess Social, S.A. de C.V., which is a Director
Mr Carlos Fernández González	Sociedad Mexicana para el Estudio de Movimientos Anormales, A.C.	Member of the Advisory Board
Mr Carlos Fernández González	Fundación de Ayuda a la Ancianidad, I.A.P.	Member of the Advisory Board
Ms Miriam González-Amézqueta López	Deutsche Bank S.A.E.U.	Board member
Ms Miriam González-Amézqueta López	Media Investment Optimization, S.A.	Board member
Ms Miriam González-Amézqueta López	NH Hotel Group, S.A.	Board member
Mr Manuel Puig Rocha	Lyskamm 1861, S.L.	Joint and several administrator
Mr Manuel Puig Rocha	Schwarzsee 2018, S.L.	Joint and several administrator
Mr Manuel Puig Rocha	Exea Empresarial, S.L.	Director Representative
Mr Manuel Puig Rocha	Inmo, S.L.	Joint and several administrator
Mr Manuel Puig Rocha	Whymper 1865, SCR, S.A.	Chairman
Mr Manuel Puig Rocha	Torre Puig LH 4648, S.L.	Joint and several administrator
Mr Manuel Puig Rocha	Quaestor Investments, S.A.	Chairman
Mr Manuel Puig Rocha	Puig, S.L.	Director Representative
Mr Manuel Puig Rocha	Puig Brands, S.A.	Vice-Chair
Mr Manuel Puig Rocha	Maveinn Inversiones Inmobiliarias, S.L.	Joint and several administrator
Mr Manuel Puig Rocha	Sociedad Textil Lonia, S.A.	Director
Mr Manuel Puig Rocha	Tansilux, S.L.	Joint director
Mr Manuel Puig Rocha	Casa Fiesta Formentera y Asociados, S.L.	Joint director

Identification of the director or representative	Company name, whether or not it is a listed company	Position
Mr Manuel Puig Rocha	Charlotte Tilbury Limited	Director
Mr Manuel Puig Rocha	Beijing Yitian Shidai Trading Co., LLC	Director
Mr Manuel Puig Rocha	Cosmetika SAS	Director
Mr Manuel Puig Rocha	Ponteland Distribuição, S.A.	Director
Mr Manuel Puig Rocha	Puig North America, Inc.	Director
Mr Manuel Puig Rocha	Quaestor Holdings, S.A.	Vice-Chair
Mr Manuel Puig Rocha	Inmo Montaigne	Joint and several administrator
Mr Manuel Puig Rocha	Inmo USA Inc.	Joint and several administrator
Mr Manuel Puig Rocha	Flamasats, S.L.	Director
Mr Manuel Puig Rocha	Isdin, S.A.	Director
Mr Manuel Puig Rocha	Exea Capital, SCR, S.A.	Chairman
Mr Manuel Puig Rocha	Real Automóvil Club de Cataluña, S.L.	Board Member
Mr Manuel Puig Rocha	Fluidra, S.A.	Director
Mr Manuel Puig Rocha	Inomocol Torre Europa, S.A.	Chairman
Mr Manuel Puig Rocha	Exea Ventures, S.L.	Director Representative
Mr Giuliano Rotondo	Coima Res S.p.A.	Director
Mr Giuliano Rotondo	Nova Bocana Barcelona, S.A.	Director
Mr Felipe Matías Caviedes	Criteria Caixa, S.A.U.	Officer
Ms Elena Salgado Méndez	Saba Infraestructuras, S.A.	Board member
Ms Elena Salgado Méndez	Elsa and Partners, S.L.U.	Administrator

#### Observations

According to the information available to the Company, none of the abovementioned positions receive remuneration, except for the following:

- Mr Pedro Viñolas Serra: Blue Self Storage, S.L. and Banco de Sabadell, S.A.
- Ms Ana Bolado Valle: Metrovacesa, S.A., Caceis Group and Caceis Bank.
- Ms Ana Peralta Moreno: Banco Bilbao Vizcaya Argentaria, S.A. and Grenergy Renovables, S.A.
- Ms Silvia Mónica Alonso Castrillo Allain: Sociedad de Estudios Hispano Franceses S.L.
- Ms Miriam González-Amézqueta López: Deutsche Bank S.A.E.U., NH Hotel Group, S.A. and Media Investment Optimization, S.A.
- Mr Carlos Fernández González: Grupo Finaccess S.A.P.I. de C.V. and Grupo Far-Luca, S.A. de C.V.
- Ms Begoña Orgambide García: AmRest Holdings, S.E.
- Mr Manuel Puig Rocha: Lyskamm 1861, S.L., Puig Brands, S.A., Quaestor Holdings, S.A., Real Automóvil Club de Cataluña, S.L. and Fluidra, S.A.
- Sheikh Ali Jassim M.J. Al-Thani 26 Champs Elysees, Al Nuran Bank, Happag Lloyd, Rayyan Islamic Bank, Qatar Insurance and re-insurance co. and Libyan Qatari Bank (Nuran Bank)
- Mr Giuliano Rotondo: Coima Res S.p.A.
- Mr Felipe Matías: Criteria Caixa, S.A.U.
- Ms Elena Salgado Méndez: Saba Infraestructuras, S.A.

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

Identification of the director or representative	Other remunerated activities
Ms Begoña Orgambide García	Head of Investor Relations at Finaccess Capital
Ms Elena Salgado Méndez	Asesoría en Abertis, Criteria Caixa, Repsol and Trilantic Europe

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

Yes [X]

No [ ]

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

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

Remuneration accrued by the Board of Directors during the fiscal year (thousands of euros).	4,339
Amount of funds accumulated by current directors under long-term savings schemes with vested economic rights (thousands of euros)	0
Amount of funds accumulated by current directors under long-term savings schemes with non-vested economic rights (thousands of euros)	970
Amount of funds accumulated by former directors under long-term savings schemes (thousands of euros)	0

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

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

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

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

Total remuneration of senior management (thousands of euros)	2,412
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Observations

**C.1.15** Indicate whether any amendments have been made to the Board Regulations during the year:



Yes [ ]

No [X]

Description of changes
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**C.1.16** Indicate the procedures for the selection, appointment, re-election and removal of directors. Give details of the competent bodies, the formalities to be fulfilled and the criteria to be used in each of the procedures.

<p>In order to meet the current regulations in force and the highest standards in the selection of candidates as directors, based on knowledge and experience in the sector and in the management of listed companies, Colonial has developed its procedures for the selection, appointment, re-election and removal of directors through the Selection and Diversity Policy, approved by the Board at the proposal of the ARC, which are regulated in the Regulations of the Board of Directors. In accordance with this policy, the Board of Directors will first analyse the Company's and the Group's needs, with appropriate support from advisors, and will, in any case, base its analysis on the ARC's appointment proposal or mandatory supporting report. The directors are appointed by the General Meeting or, in the event of early vacancies, by the Board, exercising its power to co-opt. The ARC makes proposals for the appointment or re-election of independent Directors. In all other cases, the Board is responsible for making proposals. Proposals must be accompanied by a supporting report from the Board that assesses the competence, experience and merits of the proposed candidates, which will be attached to the minutes of the General Meeting or the Board meeting. The proposal for the appointment or re-election of any non-independent director should also be preceded by an ARC report. In order for the shareholders at the General Meeting to have the information necessary for the appointment of directors, from the publication of the call notice and until the General Meeting is held, the Company must continuously post on its corporate website the following information, at least, on the persons proposed for appointment, ratification or re-election as Board members: their identity, CV and category to which each belongs, and the aforementioned proposal and reports and ARC explanatory report containing the findings of the analysis performed beforehand of the Board's needs. Additionally, the Selection and Diversity Policy establishes a series of situations that prevent a candidate from being a director. Directors may be removed from office at any time by the General Meeting, even if the removal is not on the agenda. In addition, directors must place their position at the disposal of the Board of Directors and tender, if the latter deems it appropriate based on a report from the ARC, their resignation, all in accordance with the provisions of the Regulations of the Board of Directors, in the instances set forth in section C.1.19 below. The Board of Directors shall not propose the removal of any independent Directors before the expiry of their office as set forth in the Company Bylaws, except where just cause is found by the Board, based on a report by the ARC. It shall be understood that there is just cause when the director takes up a new post or takes on new duties that prevent him/her from devoting the necessary time to the performance of the duties associated with the directorship, when the director fails to carry out the duties inherent to his/her post or when the director is involved in circumstances which cause him/her to lose his/her independent status in accordance with the provisions of the legislation applicable. The removal of independent Directors may also be proposed following a takeover bid, merger or similar corporate operation entailing changes in the Company's capital structure, when these changes have been propitiated by the proportionality criterion. Without prejudice to the foregoing, the Board Regulations stipulate that independent directors may not retain their status as such for a continuous period of more than 12 years. In addition, the Board of Directors may propose the removal of other directors prior to the expiry of the statutory period for which they were appointed for exceptional and justifiable reasons as approved by the Board following a report by the ARC. Directors who cease to be directors before the end of their term, either through resignation or as agreed by the General Meeting, shall send a letter to all members of the Board of Directors stating their reasons for resigning or, in the case of non-executive Directors, their opinion on the General Meeting's decision. Without prejudice to reporting all this in the Annual Corporate Governance Report, insofar as it is relevant to investors, the Company shall publish the resignation or removal as soon as possible, including a sufficient reference to the reasons or circumstances provided by the director.</p>
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**C.1.17** Explain to what extent the annual evaluation of the Board has prompted significant changes in its internal organisation and the procedures applicable to its activities:

Description of changes
<p>The annual assessment of the Board of Directors for 2023 was satisfactory and did not result in any significant changes to the Company's internal organisation and/or the procedures applicable to its activities in 2024.</p> <p>In this regard, after identifying necessary improvements from 2023, over the course of 2024, the Company has improved, among other aspects: (a) the Board of Directors: greater participation at Board meetings by members of the Management Committee, more detailed information given to directors regarding potential corporate operations and updates on main risks impacting Colonial's business; (b) the ACC: smoother coordination and flow between the internal audit and the regulatory compliance teams of the Company and its subsidiaries and earlier delivery of documents ahead of Committee meetings; (c) the ARC: the length of the meetings, earlier delivery of documents ahead of Committee meetings and higher quality of the documents, and limits set on the Committee functions to align with other committees and avoid the overlapping of functions; and (d) the SC: clearer documents ahead of meetings, smoother coordination with other committees and limits set on the Committee functions to align with other committees and avoid the overlapping of functions.</p>

Describe the assessment procedure and the areas assessed by the Board of Directors with the support, if any, of an external consultant, regarding the performance and composition of the

Board and its committees and any other area or aspect that has been assessed.

Description of the assessment procedure and areas assessed
<p>The Board of Directors has assessed its own performance as well as those of its committees, the Chairman, the CEO and the Secretary to the Board.</p> <p>An external consultant (Georgeson) was hired to help assess the performance of the Board, its Committees (except for the ACC, as it assesses its own performance), the Chairman, the CEO and the Secretary. The assessment procedure mainly consisted of the following phases: (i) the Directors were asked to complete (anonymously) the questionnaires prepared by the external consultant, which had been previously validated by the ARC; (ii) upon receiving their answers, the consultant prepared a report with the conclusions drawn from the assessment and recommended improvements; (iii) the ARC analysed the outcome of the assessment made by Georgeson; and (iv) lastly, the ARC Chairwoman presented to the Board of Directors these conclusions and recommended improvements from the assessment on the performance and functions of the Board of Directors, ARC and SC, the Chairman, the CEO and Secretary to the Board.</p> <p>The Audit and Control Committee on the other hand, assessed its own performance, unlike all other Committees which were assessed by the external consultant. The self-assessment run by the Audit and Control Committee began by designing and preparing a questionnaire to assess the Committee members' level of satisfaction with its operation, structure, organisation, performance of functions, means and resources, composition, member qualifications, the performance of its Chairwoman, coordination with its main contact persons and other committees, the time and form of the calls for its meetings, the quality of the meetings, the time spent on each topic, the accuracy of the minutes and progress made with the action plan to improve its performance, among other aspects. Once the contents had been defined, the questionnaire was sent to each member on the Committee. Then the answers to the questionnaires and the recommendations and suggestions for improvements were analysed and were used by the ACC Chairwoman to draw up the conclusions on the assessment process and recommendations for improvement.</p> <p>Then the Board of Directors considered and adopted an action plan to correct any deficiencies identified with respect to: (i) the quality and efficiency of the Board of Directors; (ii) the operations and the composition of its Committees; (iii) the diversity of the composition and competences of the Board of Directors; (iv) the performance of the Chairman of the Board and the chief executive officer of the Company; and (v) the performance of the Secretary to the Board of Directors.</p> <p>On the other hand, the Board of Directors approved the performance reports on the Board of Directors, ACC, ARC and SC.</p>

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

In 2024, Georgeson provided the Company with services relating to shareholder identification and proxy solicitation activities at the Annual General Meeting of Shareholders and the Extraordinary Shareholders' Meeting. Computershare, a company in the same group, provides shareholder register services.

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

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

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

Yes [ ]

No [X]

If applicable, describe the differences.

Description of the differences

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

Yes [ ]

No [X]

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

Yes [ ]

No [X]

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

Yes [ ]

No [X]

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

In order to establish a set of operating rules for the Board that allow the effective performance of its functions within the framework of the governance requirements applicable to the Company under both its internal rules and the legislation, the Regulations of the Board of Directors allow, in accordance with the Spanish Limited Liability Companies Law, to confer representation in writing specifically for each meeting, and only in favour of another member of the Board. However, non-executive Directors may only assign proxy to another non-executive Director.
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**C.1.25** Indicate the number of Board meetings held during the fiscal year. Also state, if applicable, the number of occasions on which the Board met without its Chairman in attendance. Attendance for this purpose shall also include proxies appointed with specific instructions.

<b>Number of Board meetings</b>	12
<b>Number of Board meetings not attended by the Chairman</b>	0

<b>Observations</b>

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

<b>Number of meetings</b>	N/A
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<b>Observations</b>
The Company does not have an Independent Lead Director on 30 April 2022, as the Chairman of the Board is no longer an executive Director.

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

<b>Number of executive committee meetings</b>	0
<b>Number of audit committee meetings</b>	16
<b>Number of appointments and remuneration committee meetings</b>	11
<b>Number of sustainability committee meetings</b>	5

<b>Observations</b>
Two of the meetings held by the ACC in 2024 were held jointly with the SC.

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

<b>Number of meetings where at least 80% of directors attended in person</b>	12
<b>% of attendance in person out of the total votes during the fiscal year</b>	98.05%
<b>Number of meetings with attendance in person, or by proxy with precise instructions, of all the directors</b>	12
<b>% of votes cast with attendance in person, or by proxy with precise instructions, out of the total votes during the fiscal year</b>	100 %

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

Yes  [X]

No  [ ]

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

<b>Name</b>	<b>Position</b>
Ms María Ángeles Arderiu Ibars	Chief Financial Officer

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

<p>The Company has established different methods to supervise the preparation of the annual financial statements presented to the General Meeting of Shareholders. The Board of Directors, through the Audit and Control Committee, is in charge of supervising the preparation of the annual financial statements.</p> <p>For these purposes, the Audit and Control Committee analyses, before presenting the financial information to the Board of Directors, the process involved in preparing: (i) the annual financial information, which includes, among other documents, the individual and consolidated annual financial statements and the management reports; (ii) the financial information for Q1 and Q3; and (iii) the half-yearly financial report for the first half of the year.</p> <p>In particular, the Audit and Control Committee takes on the financial oversight by means of an ongoing process throughout the year, tracking the performance of the main milestones and figures of the balance sheet, the income statement and the financial reports. The Audit and Control Committee oversees the processes of preparing the relevant financial information, always in accordance with the pre-established accounting standards, the applicable laws and regulations and any additional information that is deemed necessary or convenient. Furthermore, to ensure the annual financial statements have no reservations, the Audit and Control Committee has the support of officers from the different areas, including the internal audit department and the representatives of the external auditor with whom it holds as many meetings as necessary to guarantee compliance with the accounting standards and present to the Board a clean report.</p> <p>The Audit and Control Committee is also in charge of overseeing that the Company's internal control systems introduced by its Head of Internal Audit were successfully implemented and operative, as well as the risk management systems for the financial reporting process.</p> <p>Lastly, and having received a supporting report from the Audit and Control Committee, the Board of Directors is in charge of preparing and submitting the financial statements to the General Meeting of Shareholders for their approval. In the rare event of reservations, the Chairman of the Audit and Control Committee will clearly explain to the General Meeting of Shareholders the Committee's opinion on the content and scope of the limitations or departures, and the shareholders shall be provided with a summary of that opinion, together with all other proposals and reports of the Board of Directors, when calling the General Meeting.</p>
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**C.1.29** Is the secretary to the Board a director?

Yes [ ]

No [X]

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

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

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

The obligations of the ACC include the obligation to preserve the independence of the external auditor in the performance of its duties. Likewise, regarding the external auditor, it shall: (i) submit proposals to the Board of Directors to select, appoint, reelect and remove the auditor; (ii) define the selection process pursuant to current legislation and internal rules, as well as the conditions of his/her contract; (iii) regularly obtain information from the auditor on the audit strategy and plans and how they are being executed; (iv) preserve the independence of the external auditor in the performance of their duties; and (v) determine the level of involvement of the main partner and the quality reviewer.

The ACC will also analyse, propose and, as the case may be, decide on any issues that may arise between the Board of Directors and the external auditor, in particular: (i) should the external auditor resign, examine the circumstances that led to this decision; (ii) ensure that the remuneration paid to the external auditor for their work does not compromise their integrity or independence; (iii) approve the procedure to authorise the external auditor's provision of non-audit services; (iv) supervise that the Company notifies the Spanish Securities Market Commission (CNMV) of the change of auditor and accompanies it with a statement on the possible existence of disputes with the outgoing auditor and, if any, their content; (v) ensure that the external auditor holds an annual meeting with the full Board of Directors to report on the work performed; and (vi) ensure that the Company and the external auditor respect the rules in force on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, any other rules on the independence of auditors.

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

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

Yes [ ]

No [X]

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

Yes [X]

No [ ]

	Company	Group companies	Total
Amount for non-audit work (thousands of Euros)	185	70	255

<b>Amount of fees of other non-audit work/Amount of audit work (in %)</b>	50.55	15.98	31.72
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<b>Observations</b>
Regarding non-audit services, €92,000 was for audit-related services provided to the Group involving limited reviews, the submission of comfort letters and agreed-upon procedure reports on ratios linked to finance contracts and on certain indicators linked to variable remuneration systems.
The rest – €163,000 – was for fees for other professional services to review the ESG indicators in the Integrated Annual Report, the greenhouse gas inventor and the Green Bonds Report and to review English translations from French of various items of corporate information.

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

Yes [ ]

No [X]

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

	<b>Individual</b>	<b>Consolidated</b>
<b>Number of consecutive years</b>	8	8

	<b>Individual</b>	<b>Consolidated</b>
<b>Number of years audited by the current audit firm/number of years the company or its group has been audited (in %)</b>	21.05	21.05

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

Yes [X]

No [ ]

<b>Details of the procedure</b>
To ensure that directors can perform their functions appropriately, the Chairpersons of the Board of Directors and each of the Committees, with the collaboration of the Secretary, ensure that the directors have, beforehand and sufficiently in advance, the necessary information for the deliberation and adoption of resolutions on the matters to be discussed at each meeting, unless the Board of Directors or Committee has convened or has been called on an exceptional basis for reasons of urgency. Likewise, any director may, at the request of the Chairman, Managing Director, or Secretary, request and examine the books, records, documents and other background information on corporate transactions, and may also obtain the necessary supplementary information from any interlocutors deemed appropriate. Lastly, there are channels for the directors and Committees to obtain the advice they need to carry out their duties, if necessary including external advice at the Company's expense. In this regard, in view of the functions of the Board Chairman, the directors shall send the Chairman requests for external assistance when they deem this necessary.

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

Yes [X]

No [ ]

<b>Explain the rules</b>
Board Regulations stipulate that directors must tender their resignation to the Board of Directors and resign if the latter deems it appropriate subsequent to a report from the ARC when their continuation as a Board member may adversely affect the operation of the Board or jeopardise the credit or reputation of the Company for any reason. In particular, directors must inform the Board of Directors

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

**C.1.37** Indicate, unless special circumstances have arisen and been officially recorded, whether the Board has been informed or has otherwise become aware of any circumstances affecting a director, whether or not related to their performance at the Company, that could jeopardise the Company's credit or reputation:

Yes [ ]

No [X]

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

As at 31 December 2024, the Company had in place a sustainable credit facility for €1 billion with a maturity date of 2029, extendable annually. As at 31 December 2024, the abovementioned credit facility was not drawn down. A change of control could cause this sustainable credit facility to mature early.

In addition, several issues of fixed-income securities have been carried out, providing for the early maturity of the bonds, at the bondholders' option, in the event of a change of control leading to the loss of the Investment Grade rating. The issues add up to a total of €8,825.

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

<b>Number of beneficiaries</b>	2
<b>Type of beneficiary</b>	<b>Description of the agreement</b>

CEO and Corporate General Manager	<p>The CEO will receive additional special remuneration by way of severance payment in the event of unjustified removal or non-renewal of his term or a substantial reduction of his functions. The severance payment will also accrue (i) if he leaves or resigns from his post as a result of a change of control at the Company or a major change in the composition of the Board of Directors; (ii) in the event of an amendment to the terms of his contract without his consent; and (iii) in any other cases that may be established by the Board of Directors. The severance payment will be calculated taking into account two years of his fixed remuneration (€800,000) and target annual variable remuneration (100 % of his fixed remuneration), excluding any other amounts already received and the rights derived from the long-term incentive in force at the time.</p> <p>According to the LTIP approved at the Ordinary General Meeting of 13/06/2024, if the CEO were to be removed without just cause, the General Meeting denied the extension of their office or if their functions were substantially modified (including the loss of their status as CEO), such CEO would be entitled to an early settlement of the Plan, receiving the target amount of shares they are entitled to for each active cycle as a beneficiary of the Plan and on a pro-rata basis according to the number of days since the start of the relevant cycle and the effective date of their removal, non-extension of their office or substantial modification of their functions.</p> <p>Nevertheless, they will lose their right to the delivery of shares in the event of justified dismissal, except for objective causes, termination of their contract with just cause, or resignation on their own initiative, and in the event of breach of contract in respect of confidentiality, non-solicitation of services or competition. In these cases, they will also lose any rights to shares that have been granted.</p> <p>Furthermore, in the event that, under the applicable regulations, a takeover bid were made for the Company and the positive result thereof entailed a change of control in the Company, the LTIP would be settled early for those beneficiaries who have ended their relationship with Colonial for any reason within the six months following the settlement of the takeover bid, thus delivering the maximum amount of shares allocated to them in each of the active cycles of the LTIP.</p> <p>Corporate General Manager: If she is dismissed by the Company (with the obligation to give three months' notice) and/or due to a change of control of the Company, she shall receive an amount of gross compensation equal to: (a) twice the annual fixed remuneration in force as at the date on which the contract comes to an end; plus (b) the sum of the amounts of variable remuneration received by her in the two years leading to the date on which the contract comes to an end (in the event of a change of control, provided that the contract comes to an end within three months following the change of control). The severance payment shall be calculated excluding any amounts already received and any rights arising from her participation in the LTIP in force at any given time. In the event of dismissal on disciplinary grounds or unfair dismissal, the same severance pay shall apply as in the case of dismissal by the company. Finally, as a beneficiary of the LTIP approved at the Ordinary General Meeting of Shareholders of 13/06/2024, it is envisaged that she will lose her right to the delivery of shares in the event of justified dismissal except for objective causes, termination of her contract with just cause or resignation on her own initiative, and in the event of a breach of contract in respect of confidentiality, non-solicitation of services, or competition. In these cases, they will also lose any rights to shares that have been granted.</p>
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Indicate whether, beyond the assumptions envisaged in the legislation, these contracts must be reported to, and/or authorised by, the governing bodies of the company or its group. If this is the case, specify the procedures, assumptions foreseen and nature of the bodies in charge of their approval or their communication:

	Board of Directors	General Meeting
Body which authorises the clauses	X	

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

Observations
The internal rules for the approval of the terms and conditions of contracts concluded by the Company or Group companies with the senior management and directors, which can be found in the Company Bylaws and the Regulations of the Board of Directors, do not deviate from the rules provided by law under the Spanish Limited Liability Companies Law.



The clauses of senior management contracts are approved by the Board of Directors following a favourable report from the Appointments and Remuneration and Sustainability Committees.

The information on these clauses, which are part of the CEO's contract, can be found in the Annual Report on the Remuneration of Directors for 2024, which will be submitted for an advisory vote as a separate item on the agenda at the 2025 Ordinary General Meeting of Shareholders.

## C.2 Board Committees

**C.2.1** Give details of all board committees, their members and the proportion of executive Directors, proprietary, independent and other external directors that form them:

### EXECUTIVE COMMITTEE

Name	Position	Category
Mr Juan José Brugera Clavero	Chairman	Other external
Mr Pedro Viñolas Serra	Member	Executive
Ms Ana Bolado Valle	Member	Independent
Mr Carlos Fernández González	Member	Proprietary
Mr Felipe Matías Caviedes	Member	Proprietary
Mr Giuliano Rotondo	Member	Proprietary

<b>% of executive directors</b>	16.67%
<b>% of proprietary Directors</b>	50.00%
<b>% of independent directors</b>	16.67%
<b>% of other external</b>	16.67%

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

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

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

The meetings shall be held at the Company's registered office or at any location designated by the Chairman and indicated in the notice. For an Executive Committee meeting to be validly constituted, the majority of its members must attend, either physically present or represented by proxy. The absolute majority of the members of the Committee shall adopt the resolutions. In the event of a conflict of interest, the Directors concerned shall refrain from participating in the transaction to which the conflict refers. The votes of the Directors affected by such conflict and that must abstain shall be deducted for the purposes of calculating the necessary majority of votes. In the event of a tie, the matter shall be submitted to the Board of Directors. Through its Chairman, the Executive Committee shall report to the Board on the business transacted and the resolutions adopted by the Committee. The Committee did not hold any meetings in 2024.

## AUDIT AND CONTROL COMMITTEE

Name	Position	Category
Ms Miriam González-Amézqueta López	Chairman	Independent
Ms Ana Bolado Valle	Member	Independent
Ms Ana Peralta Moreno	Member	Independent
Ms Begoña Orgambide García	Member	Proprietary

<b>% of proprietary Directors</b>	25.00%
<b>% of independent directors</b>	75.00%
<b>% of other external</b>	0.00%

Observations
<p>On 9 May 2024, Mr Luis Maluquer Trepat resigned as Director and, consequently, as member of the Committees he sat on, including the ACC. Furthermore, on 30 June 2024 the legal period for Ms Ana Peralta Moreno's tenure as Chairwoman of the ACC came to an end. For this reason, Ms Miriam González-Amézqueta López was appointed as new Chairwoman for the next four years, while Ms Ana Peralta remained on the ACC as a member. Thus, the ACC currently has four members, three independent Directors and one proprietary Director.</p>

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

<p>The ACC's functions, procedures and rules of operation are set out in the Regulations of the Board of Directors and its own regulations. Pursuant to its duties, in 2024, it carried out, among others, the following actions:</p> <ul style="list-style-type: none"> <li>▪ <b>Financial and Sustainability Information.</b> The ACC analysed the process involved in preparing the following information before the Board of Directors had prepared and filed it: (i) the annual financial information for the year ended 31 December 2023, which includes, among other documents, the individual and consolidated annual financial statements and the management reports; (ii) the financial information for Q1 and Q3 of 2024; (iii) the half-yearly financial report for the first half of 2024; and (iv) the sustainability information appearing in the Integrated Annual Report. Moreover, the ACC supervised and approved the introduction of a new reference related to sustainability in the Code of Ethics.</li> <li>▪ <b>Internal Control Systems:</b> The ACC oversaw the operation and implementation of the Company's internal control systems, as well as its risk management systems, including in relation to tax risks. The analysis focused on controlling both financial and sustainability information. The ACC was duly informed of the ICFR and the reports drawn up for this purpose. After carrying out the appropriate controls, the ICFR was thus deemed to be working correctly. The ACC also oversaw the updating of the corporate risk map, the evolution of the various risks and the control measures taken to mitigate them. In addition, the ACC submitted to the Board a report on the risk management and control policy. The ACC also monitored the amendments to the risk management and control policy and issued a favourable opinion on the proposed amendments to the Board of Directors.</li> <li>▪ <b>Relations with the External Auditor:</b> The ACC established appropriate relations with the external auditor, PwC, acting as a communication channel between the Board and the external auditor and assessing the findings of the audits. It also had access to information about its work plan, the progress made in its work and its significant findings. The external auditor also provided non-audit services. Those services and the related corresponding amounts accrued were approved by the ACC. It also confirmed the external auditor's independence. Finally, the ACC approved the proposal to elect the new external auditor for 2025-2027.</li> <li>▪ <b>Internal Audit.</b> The ACC approved the Internal Audit Plan for 2024 and oversaw its progress and degree of compliance. Furthermore, it has had the chance to analyse the outcome of the most relevant tasks performed by the internal audit manager, including monitoring the SCIIF, deploying software to keep track of the SCIINF, preparing the risk chapter to add to the 2024 integrated annual report and different audits. It also analysed the degree of compliance with the fundamental principles and the CNMV's recommendations on cybersecurity governance. Furthermore, it oversaw the coordination between Colonial's and SFL's internal auditing and put forward the</li> </ul>
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appropriate proposals to foster this coordination. Finally, the Head of Internal Audit provided the ACC with various reports on the external auditor's independence.

- **Tax Risks.** The ACC has kept track of the main matters related to tax risks, overseeing the tax report for 2023. Likewise, based on the report presented by the Company's Financial Department, the Committee analysed the map of the main tax risks as well as the controls implemented in this area.
- **Related-Party Transactions.** The Committee was duly informed about potential related-party transactions. Following its examination, the ACC issued a favourable opinion to the Board of Directors on the proposal to increase the amount of an intra-group loan requiring approval by the Board of Directors of the Company, and there were no related-party transactions that, due to their value or amount, had to be approved by the General Meeting of Shareholders. A report with details of the Company's related-party transactions in 2023 was also drawn up.
- **Corporate Governance:** The ACC issued a favourable opinion on the ACGR for 2023. Furthermore, it oversaw compliance with the Company's internal policies and promoted and fostered a culture of compliance with the texts and regulations applicable to the Company. Also, the ACC led and oversaw the work to adapt the ACC Regulations in accordance with the changes made by the Technical Guide 1/2024. The resulting Regulations were approved by the Board of Directors in December 2024.
- **Regulatory Compliance.** The Company modified its compliance model by appointing a Chief Compliance Officer to take on the duties previously carried out by the Regulatory Compliance Unit. In this regard, the ACC examined the main actions carried out by the Regulatory Compliance Unit / Chief Compliance Officer, took note of the external expert's report on the internal control procedures relating to the prevention of money laundering, and oversaw and monitored matters relating to privacy, data protection and the Whistleblowing Channel and compliance with the multi-annual training plan and the corporate policies. In addition, the ACC examined, in the Colonial Group's best interests, SFL's position and degree of regulatory compliance, particularly in relation to data protection and criminal risk prevention. Finally, the ACC acknowledged the new business models, in particular in relation to their benefits, the new risks and their main implications.
- **Corporate Transactions.** Having been provided with information about the potential merger between the Company and its subsidiary Société Foncière Lyonnaise (SFL), the ACC examined its potential financial terms, associated risks and accounting impact and reported on them to the Board of Directors. The ACC also acknowledged, examined and issued a favourable opinion to the Board of Directors on the financial terms, associated risks and accounting impact of Criteria's acquisition of Colonial shares by means of cash and non-cash contributions (by contributing certain commercial and residential properties). The Committee similarly monitored the integration of its subsidiary Utopicus' business model into Colonial.
- **Treasury Shares.** Over the course of the year, the ACC was kept abreast of the number of treasury shares.

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

<b>Names of directors with experience</b>	Ms Miriam González-Amézqueta López / Ms Ana Bolado Valle / Ms Ana Peralta Moreno / Ms Begoña Orgambide García
<b>Date the Chairman was appointed as such</b>	30/06/2024

#### APPOINTMENTS AND REMUNERATION COMMITTEE

<b>Name</b>	<b>Position</b>	<b>Category</b>
Ms Ana Bolado Valle	Chairman	Independent
Ms Silvia Mónica Alonso-Castrillo Allain	Member	Independent
Ms Ana Peralta Moreno	Member	Independent
Ms Elena Salgado Méndez	Member	Proprietary
<b>% of proprietary Directors</b>	25.00%	
<b>% of independent directors</b>	75.00%	
<b>% of other external</b>	0.00%	

<b>Observations</b>
In 2024, Mr Luis Maluquer Trepas and Mr Juan Carlos García Cañizares resigned on 9 May and 11 September 2024 respectively, as Directors and, consequently, as members of the Committees they sat on, including the ARC. On 3 July 2024, the appointments of Ms Ana Peralta Moreno and Ms Elena Salgado Méndez came into effect as members of the ARC.

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

<p>The ARC's functions, procedures and rules of operation are set out in the Regulations of the Board of Directors (Article 33); and in 2024, the Committee carried out the following activities, among others, pursuant to its duties:</p> <ul style="list-style-type: none"> <li>▪ <b>Appointments</b> <ul style="list-style-type: none"> <li>- Issuing a favourable report to the Board of Directors on the proposed ratification and appointment of Mr Giuliano Rotondo as new proprietary Director of the Company, as put forward by Qatar Investment Authority (QIA).</li> <li>- Issuing a favourable report to the Board of Directors on the proposed re-election of Sheikh Ali Jassim M. J. Al-Thani and Mr Carlos Fernández González as proprietary Directors of the Company, as put forward by Qatar Investment Authority (QIA) and the Finaccess Group, respectively.</li> <li>- Issuing a favourable report to the Board of Directors on the proposed appointment of Ms Elena Salgado Méndez and Mr Felipe Matías Caviedes as proprietary Directors of the Company, as put forward by Criteria.</li> <li>- Issuing a favourable report to the Board of Directors on the proposed appointment of Ms Elena Salgado Méndez and Ms Ana Peralta Moreno as members of the Appointments and Remuneration Committee.</li> <li>- Producing a report for the Board of Directors supporting the proposed appointment of Mr Felipe Matías Caviedes and Ms Ana Bolado Valle as members of the Company's Executive Committee.</li> <li>- Acknowledging the appointment of Mr Juan Muñoz Jiménez as Chief Compliance Officer, with the duties previously performed by the Regulatory Compliance Unit.</li> </ul> </li> <li>▪ <b>Remuneration matters</b> <ul style="list-style-type: none"> <li>- Issuing a favourable report and proposing to the Board of Directors the approval of the Annual Report on the Remuneration of Directors.</li> <li>- Examining the outcome of the votes on the remuneration policy and the resolutions on remuneration adopted at the various General Meetings.</li> <li>- Proposing to the Board of Directors the CEO's and the management team's variable remuneration for 2023.</li> <li>- Establishing the metrics, weightings and targets for the CEO's variable remuneration for 2024.</li> <li>- Agreeing on the structure of the targets to establish the management team's variable remuneration for 2024.</li> <li>- Proposing to the Board of Directors, for approval by the Ordinary General Meeting of Shareholders and with advice from Willis Towers Watson, a new long-term incentive plan (LTIP) for key staff at the Colonial Group, including the CEO of Colonial.</li> <li>- Proposing to the Board of Directors the wording of the new Regulations of the Company's Long-Term Incentive Plan applicable to the new 2024-2026 LTIP.</li> <li>- Proposing to the Board of Directors, with advice from Willis Towers Watson, and following the issue of a favourable report by the Sustainability Committee in relation to ESG matters, the metrics and parameters (including the number of shares to which beneficiaries will be entitled) of the first cycle (2024-2026) of the new long-term incentive plan, subject to the approval of the Ordinary General Meeting of Shareholders for 2024.</li> <li>- Proposing to the Board of Directors, based on the degree of compliance with the indicators and the achievement of certain milestones, the settlement agreement and the number of shares to which beneficiaries will be entitled under the 2021-2023 long-term incentive plan (LTIP), up to the maximum set by the General Meeting of Shareholders.</li> </ul> </li> </ul>
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- Ensuring compliance with the Remuneration Policy set by the Company.
- Analysing and discussing the remuneration system and long-term incentive plan for Société Foncière Lyonnaise (SFL) in order to bring them into line with those of Colonial. This system is subject to approval by SFL's corporate bodies.
- **Corporate Governance**
  - Analysing the degree of compliance with the corporate governance recommendations set out in the Annual Corporate Governance Report.
  - Reviewing the succession plan for the Chairman of the Board of Directors and the CEO of the Company. No significant changes were made as a result of the review.
  - Issuing a favourable report on the number of members of the Board of Directors within the minimum and maximum limits stipulated in the Company Bylaws.
  - Verifying the Company's compliance with the diversity policy and reporting its conclusions on this matter to the Board of Directors.
- **Ordinary Management**
  - Coordinating, drawing up and submitting to the Board its reports for 2023 assessing the performance of the Board of Directors, the Committee and the Sustainability Committee, as well as of the Chairman of the Board, the CEO and the Secretary to the Board, with advice from the external expert Georgeson.
  - Promoting the Directors' refresher and training plan.
  - Examining the qualifications of the members of the Board of Directors in accordance with the corporate documents, the Spanish Limited Liability Companies Law and corporate governance recommendations.
  - Overseeing the HR strategy and management.
  - Monitoring, overseeing and acknowledging the analysis of SFL's organisational structure and the resulting reports, with particular emphasis on organisational changes and the changes that may take place if it merges with Colonial.
  - Coordinating the scheduling of the Committee's meetings for 2025.

## SUSTAINABILITY COMMITTEE

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

<b>% of executive directors</b>	0.00%
<b>% of proprietary Directors</b>	0.00%
<b>% of independent directors</b>	100.00%
<b>% of other external</b>	0.00%

Observations
On 9 May 2024, Mr Luis Maluquer Trepas resigned as Director and, consequently, as member of the Sustainability Committee.

Explain the functions conferred to this Committee and describe the procedures and rules of its organisation and operation. For each of these functions, indicate the more relevant actions during the fiscal year and how it effectively carried out each of the functions conferred to it in

accordance with law, the Company Bylaws or other corporate agreements.

The SC's functions, procedures and rules of operation are set out in the Regulations of the Board of Directors (Article 34); and in 2024, it carried out the following activities, among others, pursuant to its duties:

- Analysing, assessing and driving the Company's environmental and sustainable development policies and practices.
- Overseeing and approving, together with the Audit and Control Committee, the Integrated Annual Report of the Company in order to submit it to the Board of Directors for approval with a view to its subsequent publication and dissemination to the market. Furthermore, the Committee analysed the ESG aspects and progress of the Integrated Annual Report, its impact on the market and the Company's position with respect to its competitors.
- Analysing the linking of part of the executive Directors' and the management team's variable remuneration to the achievement of ESG targets.
- Establishing, with advice from Willis Towers Watson, the parameters that will form the basis for complying with ESG metrics in the 2024-2026 cycle of the new long-term incentive plan (LTIP).
- Reviewing the report on the ESG indicators used by the Company, as well as the limited assurance reports on the 2023 GHG Inventory (Greenhouse Gas Emissions Inventory) and Green Bonds issued without qualification by the Company's external auditor.
- Carrying out a quantitative analysis of the most relevant sustainability metrics, such as total energy consumption, intensity of consumption or carbon emissions.
- Analysing and monitoring the fulfilment of the quantitative and qualitative ESG criteria set by certain independent agencies in relation to 2023.
- Overseeing the degree of compliance with the Company's climate strategy.
- Reviewing and monitoring the degree of compliance with the strategy and goals for the decarbonisation of the Company's assets in the short and long terms pursuant to the carbon removal plan to achieve carbon neutrality by 2030, as well as the application of the Carbon Risk Real Estate Monitor (CRREM) tool.
- Analysing the progress made in the monitoring of the Company's Scope 1 (direct emissions), Scope 2 (indirect emissions) and Scope 3 (other indirect emissions) carbon footprint in accordance with global standards (GHG).
- Overseeing the updating of the reporting mechanisms in accordance with the European Corporate Sustainability Reporting Directive (CSRD), improving traceability between the results of the materiality analysis and the content on social matters reported by the Company.
- Planning and encouraging attendance at ESG training sessions for employees and members of the Board of Directors on topics such as the new requirements under the new CSRD Directive and the positive effects of its decarbonisation plan on the Company.
- Monitoring the progress made in the development of the sustainability information control system and installing and deploying digital tools (Deepki).
- Monitoring the development and implementation of an internal control system to enhance the reliability of data relating to sustainability information.
- Analysing how Colonial is affected by regulatory trends and developments, the green taxonomy and the Spanish and European ESG regulations specifically mentioned by an external advisor to the Company.
- Establishing the new duties and responsibilities to be taken on by the Committee once the Regulations of the Board of Directors have been amended.
- Scheduling the Sustainability Committee's meetings for 2025.

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

	Number of female board members							
	Fiscal Year 2024		Fiscal Year 2023		Fiscal Year 2022		Fiscal Year 2021	
	Number	%	Number	%	Number	%	Number	%
<b>Executive Committee</b>	1	16.67%	0	0.00%	0	0.00%	0	0.00%
<b>Audit and Control Committee</b>	4	100.00%	4	80.00%	2	66.67%	2	50.00%
<b>Appointments and Remuneration Committee</b>	4	100.00%	2	50.00%	2	40.00%	2	40.00%
<b>Sustainability Committee</b>	3	100.00%	3	75.00%	3	60.00%	3	60.00%

Observations
On 3 July 2024, the appointment of Ms Ana Peralta Moreno and Ms Elena Salgado Méndez came into effect as members of the ARC. Since the resignations of Mr Luis Maluquer Trepas and Mr Juan Carlos García Cañizares, all members of the ACC, the ARC and the SC are female. Thus all three Committees are led by Chairwomen.

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

The rules governing the Board Committees are set out in the Company Bylaws and the Regulations of the Board of Directors, which are available on the corporate website ([link](#)). Furthermore, the Company has Regulations for the ACC, which are also available on the corporate website ([link](#)). As to the annual reports on its activities, reports on the operation, structure and functions of the ACC, the ARC and the SC have been produced. The reports on the ACC and the ARC will be made available to shareholders, together with any other appropriate documentation, on the Company's corporate website when convening the Ordinary General Meeting of Shareholders of Colonial. In 2024, the text of the new Audit and Control Committee Regulations was approved after including the updates from the CNMV Technical Guide 1/2024.

## D. RELATED-PARTY TRANSACTIONS AND INTRACOMPANY TRANSACTIONS

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

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

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

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

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



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

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

Observations
In accordance with the provisions of the Spanish Limited Liability Companies Law (" <i>...</i> related-party transactions are <u>transactions carried out by the company or its subsidiaries with directors, shareholders holding at least 10% of the company's voting rights or with representation on the Board of Directors, or with any other persons that should be considered related parties under International Accounting Standards adopted in accordance with Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards</u> "), the ACC did not consider any transactions as party-related transactions in 2024, except for the one described in section D.4, all without prejudice to those transactions which have been considered as such, according to the accounting standards, and included in Note 20 of Colonial's individual financial statements.

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

Name or company name of the director or officers or their controlled or jointly controlled companies	Name or company name of the company or subsidiary	Link	Nature of the transaction and other information required for its assessment	Amount (thousands of euros)	Approving body	Identification of the shareholder or director who abstained from voting	The proposal to the General Meeting, if applicable, was approved by the Board of Directors without the majority of independent Directors voting against it
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<b>Observations</b>
In accordance with the provisions of the Spanish Limited Liability Companies Law (" <i>...</i> related-party transactions are transactions carried out by the company or its subsidiaries with directors, shareholders holding at least 10% of the company's voting rights or with representation on the Board of Directors, or with any other persons that should be considered related parties under International Accounting Standards adopted in accordance with Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards"), the ACC did not consider any transactions as party-related transactions in 2024, except for the one described in section D.4, all without prejudice to those transactions which have been considered as such, according to the accounting standards, and included in Note 20 of Colonial's individual financial statements.

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

In any case, all intra-group transactions with companies established in countries or jurisdictions considered as a tax haven must be reported:

<b>Corporate name of the company in the group</b>	<b>Brief description of the transaction and other information required for its assessment</b>	<b>Amount (thousands of euros)</b>
Société Foncière Lyonnaise	The Company entered into a framework agreement with SFL, a company in which Colonial has a stake of 98.24%, governing the possibility of structuring intra-group loans with a maturity of up to 1 year, always at market interest rates and at a market price.	Up to €1,100,000

<b>Observations</b>
In accordance with the provisions of the Spanish Limited Liability Companies Law (" <i>...</i> related-party transactions are transactions carried out by the company or its subsidiaries with directors, shareholders holding at least 10% of the company's voting rights or with representation on the Board of Directors, or with any other persons that should be considered related parties under International Accounting Standards adopted in accordance with Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards"), the ACC did not consider any transactions as party-related transactions in 2024, except for the one described in this section D.4, all without prejudice to those transactions which have been considered as such, according to the accounting standards, and included in Note 20 of Colonial's individual financial statements.

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

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

<b>Observations</b>
In accordance with the provisions of the Spanish Limited Liability Companies Law (" <i>...</i> related-party transactions are transactions carried out by the company or its subsidiaries with directors, shareholders holding at least 10% of the company's voting rights or with representation on the Board of Directors, or with any other persons that should be considered related parties under International Accounting Standards adopted in accordance with Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards"), the ACC did not consider any transactions as party-related transactions in 2024, except for the one described in section D.4, all without prejudice to those transactions which have been considered as such, according to the accounting standards, and included in Note 20 of Colonial's individual financial statements.

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

related parties.

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

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

The authorisation must be approved by the General Meeting if its purpose is to waive the prohibition on obtaining an advantage or remuneration from third parties or if it affects a transaction whose value is greater than 10% of the Company's assets. In all other cases, it may be granted by the Board of Directors provided that the members that grant it remain independent from the director who has been excused. It must also be ensured that the authorised transaction is not harmful to the shareholders' equity and that, if appropriate, it is carried out at arm's length and transparently. The duty to not compete against the Company may only be waived under circumstances that should not entail any damages to the Company or if there were damages, these would be offset by the benefits it would be entitled to. The General Meeting shall grant dispensation through an express and separate resolution.

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

Yes [ ]

No [X]


## E. RISK MANAGEMENT AND CONTROL SYSTEMS

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

Colonial seeks to generate sustainable value through the strategic management of its business activity, taking into consideration the associated risks and opportunities, which helps to strengthen its leadership in the sector and consolidate its position in the long term. Managing risks is key to Colonial's organisational culture and, for this reason, the Company has a Risk Control and Management Policy which lays down the basic principles and guidelines for action to ensure that any risks that may adversely affect the achievement of Colonial Group's objectives are identified, analysed, assessed, managed and controlled systematically, with consistent standards and within the established tolerance thresholds or levels. In addition, Colonial has devised a Risk Management and Control System (hereinafter, "RMCS"), establishing the bases for efficient and effective risk management of financial and non-financial risks across the board.

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

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

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

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

- Directly overseeing the internal function related to risk control and management.
- Submitting a report on risk policy and management for approval by the Board.
- Monitoring the level of risk deemed acceptable by the Company and the measures in place to mitigate, eliminate or manage any risks, should they materialise. It will also specify the reporting and internal control systems employed to control and manage such risks.
- Overseeing the effectiveness of the associated financial and non-financial risk control and management systems.

In addition, the Company has set up a Compliance Division and Internal Audit Unit to reinforce this objective. The Compliance Division is responsible for ensuring compliance with any laws and regulations that may affect the Company, and the Internal Audit Unit carries out the necessary supervision tasks set forth in the annual plans to assess the efficiency of the risk management and control procedures implemented to minimise risks.

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

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

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

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

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

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

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

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

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

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

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

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

The owners of each of the risks are responsible for defining and implementing the risk management measures and controls. For each risk, corresponding risk sheets are created, with the aim of reflecting each risk assessment, as well as the measures implemented for its control and management.

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

The risks defined in the Colonial Group's business model in accordance with the various activities carried out by it may materialise over the course of each year. The main risks that materialised this year 2024 were:

- **Politic Risk:** Year 2024 was marked by the ongoing wars and geopolitical tensions. Political uncertainty has not only continued but increased caused, among other reasons, by the potential impact of the policies adopted by the new US government and, closer to home, by the lack of consistent support from the French and Spanish governments.
- **Regulatory Risk:** as a result of the abovementioned risk, it is worth mentioning the higher legal instability, largely driven by the proposals to change special tax regimes for SOCIMI and SIIC companies, which could have a negative impact on the sector and on the power to attract foreign capital and investors, thus losing the competitive edge over other European countries.
- **Interest rate risk:**The interest rates were eventually cut this year but far later than expected in view of the potential impact of new US tariffs and Europe's hold on inflation.
- **Risk of real estate cycle fluctuations:** This rate cut could improve asset valuations and bring back a hopeful outlook for the real-estate cycle as it undergoes a makeover and properties are renovated or repurposed.
- **Climate Change risks:** In 2024 was marked by the continued and worsening effects of the climate change worldwide, drifting further away from commitments made as part of the Paris Agreement goals. On this matter, the physical and transition risks linked to climate change in recent years have led to the implementation of policies and strategies in this field in Colonial Group, by implementing the decarbonisation plan approved and specific actions aimed at improving the quality of properties and the measurement of their energy consumption levels in order to optimise their environmental impact.
- **ESG regulatory risks:** Adjusting to the increasing requirements for non-financial reporting has entailed reviewing the Company's compliance with these and defining and deploying control and managing systems. Similarly, within the ESG framework, the coming enforcement of the Corporate Sustainability Reporting Directive (CSRD) and the European Taxonomy Directive, has required an analysis and monitoring project to enable Colonial Group to gradually adapt to and comply with such requirements.
- **Human resources risks:** In order to face the new challenges and changes to the business model and manage the risks mentioned above and the new growth and development opportunities for the Group, it is still a priority for Colonial, in the context of a potential merger with its subsidiary SFL, to manage human capital and develop talent in this complex situation.

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

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

The risk management model implemented sets out the response and monitoring plans for the main risks based on an assessment thereof. The corporate risk map has a dynamic focus and is therefore reviewed annually in order to monitor the evolution of the risks affecting the Group and the response plans defined and implemented by each area, establishing the relevant management measures and the necessary controls put in place to mitigate each of the risks they own. The update of the corporate risk map is reviewed by the Audit and Control Committee, which reports them to the Board of Directors together with any significant change in the risks included in this risk map. Risks are classified according to their impact and probability, ranging from the most to the least serious.

In accordance with the provisions of the SCGR, the actions to be taken in response to these risks are as follows

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

The owners of each risk are responsible for preparing the records of risks in order to report the treatment established to mitigate and/or maintain the level of risk , as well as define the risk management measures and controls for each risk.

The Internal Audit team supervises the response plans that are the responsibility of the risk owners.

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

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

**F.1 The company’s control environment**

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

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

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

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

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

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

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

- Approving and amending Board Regulations.

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

Without prejudice to any other functions attributed by law, the Regulations of the Board of Directors and the ACC Regulations in particular determine that the ACC is in charge of the following functions related to the ICFR organisation model:

- Directly supervise the internal risk control and management function and submit a report on the risk control and management policy for the Board's approval. This policy must outline, at least: (i) the different types of risks the Company faces, including emerging, financial and non-financial risks with a particular focus on financial or economic risks such as contingent liabilities and other off-balance sheet risks; (ii) a risk control and management model. The Committee shall also monitor the level of risk deemed acceptable by the Company and the measures in place to mitigate, eliminate or manage any risks, should they materialise. It will also specify the reporting and internal control systems employed to control and manage such risks.
- Supervise, considering various information sources, the preparation and presentation of mandatory financial and non-financial information (including sustainability reports and the effectiveness of associated financial and non-financial risk control and management systems) and make recommendations or proposals to the Board of Directors as necessary.
- Report to the Board of Directors and submit appropriate proposals in instances where, following the review of financial and non-financial information, the ACC is dissatisfied with any aspect.
- Establish guidelines for the Company to ensure that financial and non-financial information displayed on the corporate website is consistently updated and aligns with that published on the Spanish Securities Market Commission website.
- Regarding the information and internal control systems: (i) supervise and evaluate the preparation and integrity of financial and non-financial information, as well as the systems for controlling and managing financial and non-financial risks related to the Company and, where applicable, the Group (including risks such as political, strategic, legal, reputational, cybersecurity and sustainability risks, among others); and review compliance with regulatory requirements, ensure appropriate limits on the scope of consolidation and the correct application of accounting standards; (ii) ensure the independence and effectiveness of the internal audit function, proposing the selection, appointment and, where necessary, reasoned removal of the head of internal audit. In this respect, the Committee will assess the conditions of the internal audit team members to guarantee they have no direct or indirect interests that could compromise their required independence; (iii) approve, or propose for approval to the Board of Directors, the responsibilities, annual work plan and resources of the internal audit function, ensuring that its activities primarily focus on significant risks; (iv) receive regular updates on their activities and ensure that senior management takes on board the findings and recommendations from audit reports; and (v) generally ensure that the policies and systems established for internal control are effectively implemented in practice.
- Supervise that the unit that takes on responsibility for internal auditing ensures the proper functioning of the reporting and internal control and risk management systems.
- Serve as a two-way communication channel between the Company's Board of Directors, the external auditor and the verifier, as applicable, assessing the outcomes of each audit and verification process. Also, with respect to the external auditor, it shall: (i) submit proposals for the selection, appointment, re-election and replacement of the external auditor and verifier to the Board of Directors; (ii) define and oversee the selection process in accordance with prevailing legislation and internal procedures, as well as the terms and conditions of their engagement; (iii) regularly obtain information from the auditor and verifier regarding their audit and verification strategies, plans and execution; (iv) preserve the independence of the external auditor and verifier in the performance of their duties; and (v) assess the involvement level of the lead shareholder and the quality reviewer.
- Report to the Board of Directors in advance on all matters envisaged by law, the Company Bylaws and the Board Regulations, in particular in relation to the following matters: a) financial information to be publicly reported by the Company on a regular basis; and b) the creation or acquisition of holdings in special purpose vehicles or entities based in countries or territories considered to be tax havens.

Minutes shall be drafted of the Committee meetings, which shall remain available to all members of the Board.

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

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

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

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

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

In terms of execution, Colonial's ICFR system is structured as follows:

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

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

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

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

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

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

The internal and external dissemination of the Code of Ethics is the responsibility of Colonial's Compliance Division, which reports to the ACC. This dissemination has been carried out in due compliance with applicable regulations ensuring that every Colonial employee has received it and is familiar with it.

The Compliance Division is responsible for compiling any irregularities or breaches of the Code, and informing the Human Resources department to take the necessary disciplinary action based on the fines and sanctions detailed in the collective bargaining agreement or employment legislation applicable.

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

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

Under Article 3 of Colonial's Audit and Control Committee Regulations, the ACC is responsible, inter alia, for:



"Supervising, based on the information received periodically and without encroaching on the responsibilities of relevant bodies, the operation of the Whistleblowing Channel, which serves to alert the Company to potential irregularities or breaches of regulations and internal codes of ethics, and ensure the channel is accessible not only to employees, directors and officers of the Company but also to other key stakeholders such as suppliers and shareholders. Supervision of this channel should include reviewing any complaints received and the measures and actions proposed or undertaken. The Committee should also recommend to the Board of Directors any necessary actions, if deemed appropriate, to enhance the channel's effectiveness and reduce the risk of irregularities, which may include involving internal audit or an external advisor when the significance or complexity of the matter warrants it."

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

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

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

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

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

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

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

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

Also, personnel from the Internal Audit Department attended thematic courses and forums outside the Company related to the assessment of certain internal control and risk management aspects.

## **F.2 Assessment of risks in relation to financial information**

Report, at least, on:

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

- Whether the process exists and is documented.

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

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

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

- Whether the process covers all financial reporting objectives (existence and occurrence, completeness, measurement, presentation, disclosure and

comparability, and rights and obligations), whether it is updated and how often.

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

- 1) Integrity: Transactions, events, assets, liabilities or equity interests that are “not” identified and, consequently, are “not” included in the Company’s accounting records. Data entries “not” captured in the ledgers or rejected data entries. Disclosures “not” identified and, consequently, “not” included in the notes to the financial statements or deliberately omitted.
- 2) Existence: Transactions “not” authorised that are entered into the company’s accounting software. Duplicated transactions. Erroneous adjustments in ledgers.
- 3) Disclosures and comparability: Disclosures “not” identified and, consequently, “not” included in the notes to the financial statements or deliberately omitted. Transactions that have not been recorded consistently over time.
- 4) Rights and obligations: Incorrect determination of the ability to control the rights arising from an asset or a contract/agreement. Correct determination of the obligations arising from a liability or a contract/agreement.
- 5) Measurement: Incorrect determination of the value of an asset, liability, income or expense, and which could generate the recording of adjustments in the determination of market values, amortised values, value in use or due to a depreciation error, as well as adjustments made and not properly justified.
- 6) Classification: incorrect presentation of economic transactions in the financial statements (assets vs liabilities, income vs expenses, current vs non-current, etc.).
- 7) Transaction cutoff date: incorrect recording of transactions in the accounting period.

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

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

Colonial’s Board Regulations and the ACC Regulations confer on this Committee the following functions, among others:

“Regarding the information and internal control systems: (i) supervise and assess the preparation and the integrity of the financial and non-financial information as well as the Company’s financial and non-financial risk control and management systems and, where applicable, the Group - including political, strategic, legal, reputational, cybersecurity and sustainability risks - checking for compliance with legal provisions, the accurate demarcation of the scope of consolidation, and the correct application of accounting standards, (...).”

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

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

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

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

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

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

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

Colonial’s Board Regulations and the ACC Regulations confer on this Committee the following functions, among others:

“Directly supervise the internal risk control and management function and submit a report on the risk control and management policy for the Board’s approval. This policy must outline, at least: (i) the different types of risks the Company faces, including

emerging, financial and non-financial risks with a particular focus on financial or economic risks such as contingent liabilities and other off-balance sheet risks; (ii) a risk control and management model. The Committee shall also monitor the level of risk deemed acceptable by the Company and the measures in place to mitigate, eliminate or manage any risks, should they materialise. It will also specify the reporting and internal control systems employed to control and manage such risks.”

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

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

### **F.3 Control activities**

Report if it has at least the following, stating its main features:

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

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

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

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

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

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

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

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

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

Once the relevant financial information has been determined, the next step is to identify the cycles and business processes that may have a material impact on the information in terms of their preparation and their issue. Once the processes have been identified, the relevant functional areas and Internal Audit team then identify the implicit risks of the processes and the corresponding controls. These processes, risks and controls are formally documented so they can be correctly carried out and monitored.

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

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

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

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

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

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

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

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

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

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

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

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

At present, the operation and maintenance of Colonial's corporate IT systems supporting financial reporting are outsourced, which means that Colonial's head of Systems manages the key aspects related to physical security, continuity and operation of the systems with the external supplier.

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

All Colonial Group companies operate under one transactional system (SAP).

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

- a) Security of equipment and data processing centres (in coordination with the external provider).
- b) Logical security of the applications (in coordination with the external supplier).

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

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

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

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

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

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

#### **F.4 Information and reporting**

Report if it has at least the following, stating its main features:

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

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

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

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

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

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

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

A significant portion of the details required to prepare this financial information is obtained directly from the IT tool, since it

has been customised to do so. For those cases where certain information must be prepared without this tool, Colonial has control mechanisms in place to ensure its completeness and reliability, as well as a physical archive of the information in an internal repository with access limited to the staff involved in preparing the financial information.

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

## F.5 Supervision of system operation

Report, stating the main features, on at least the following matters:

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

The main activities carried out by the ACC in relation to the ICFR system in 2024 consisted of approving the Internal Audit Plan for 2024, which includes monitoring ICFR and being apprised of its degree of implementation, compliance and effectiveness.

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

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

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

As for the internal auditing function, the Board Regulations and the ACC Regulations confer on this Committee the following functions, among others:

*"Regarding the reporting and internal control systems: [...] (ii) ensuring the independence and efficiency of the internal auditing function, proposing the selection, appointment and, if appropriate, fair removal of the person in charge of the internal audit service. In this regard, the Committee will assess the circumstances of the persons making up the Internal Audit team to guarantee that no direct or indirect interests will sway the performance of their work and therefore cast doubts about their due independence; [...]; (iv) receive regular reports on their activities and check that the senior management takes on board the reported conclusions and recommendations".*

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

The ACC has already approved the Internal Audit Plan for 2025, which includes the necessary actions for the monitoring and assessment of the internal control procedures and the performance of one-off tasks to verify the operational effectiveness of Colonial's ICFR, with regular reporting of any issues detected and necessary improvement actions and their potential impact on financial information, after checking with the audited areas.

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

Article 8 of Colonial's Board Regulations provides as follows:

"Relations between the Board of Directors and the external auditor shall be conducted through the Audit and Control Committee."

In this regard, the Board Regulations and ACC Regulations establish the following functions:

- Serve as a two-way communication channel between the Company's Board of Directors, the external auditor, as applicable, assessing the outcomes of each audit. Also, with respect to the external auditor, it shall: (i) submit proposals for the selection, appointment, re-election and replacement of the external auditor to the Board of Directors; (ii) define and oversee the selection process in accordance with prevailing legislation and internal procedures, as well as the terms and conditions of their engagement; (iii) regularly obtain information from the auditor regarding their audit, plans and execution; (iv) preserve the independence of the external auditor in the performance of their duties; and (v) assess the level of involvement of the principal shareholder and the quality reviewer.
- Establish the necessary relations with the external auditor in order to receive information on any matters that might jeopardise the auditors' independence, for examination by the ACC, any other matters related to the accounts audit process and, when appropriate, to authorise non-prohibited services on the terms provided in current legislation relating to independence and to communicate with the auditors as provided for in the applicable regulations.
- Supervise the effectiveness of the Company's internal control, internal audit and risk management systems, as well as discuss with both the auditor any significant weaknesses identified, if any, in the internal control system and any notable modifications or adjustments detected by them, ensuring not to compromise their independence. In this respect, the Committee may make recommendations or proposals to the Board of Directors, including deadlines for monitoring and rectifying issues.

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

#### **F.6 Other relevant information**

No additional issues to be disclosed have been identified.

#### **F.7 External auditor report**

Report by:

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

The ICFR information provided to the markets has not been specifically reviewed by the external auditor. However, the ACC and the Internal Audit team perform the ICFR monitoring activities, which they supplement with the external auditor's contributions regarding the identification of any internal control weaknesses identified in the course of their external financial audit. The external auditor has not made any significant recommendations regarding internal control in the audit of the financial statements for 2024.

## G. EXTENT TO WHICH THE CORPORATE GOVERNANCE RECOMMENDATIONS ARE FOLLOWED

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

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

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

Compliant

Explain

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

- a) **The respective business areas and possible business relations between the listed company or its subsidiaries and the parent company or its subsidiaries.**
- b) **The mechanisms in place to solve any conflict of interests that may arise.**

Compliant

Partially compliant

Explain

Not applicable

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

- a) **Of the changes that have occurred since the last ordinary general meeting.**
- b) **Of the specific reasons why the company is not following certain recommendations of the Code of Corporate Governance and, if any, the alternative rules applied to this matter.**

Compliant

Partially compliant

Explain

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

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

Compliant

Partially compliant

Explain

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

**And that when the Board of Directors approves any issue of shares or convertible securities excluding preemptive rights, the Company should immediately publish on its website the reports on this exclusion as laid down in commercial law.**

Compliant

Partially compliant

Explain



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

- a) Report on the external auditor's independence.
- b) Reports of proceedings of the audit committees and the appointments and remuneration committee.
- c) Audit Committee Report on Related-Party Transactions.

Compliant  Partially compliant  Explain

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

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

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

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

Compliant  Partially compliant  Explain

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

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

Compliant  Partially compliant  Explain  Not applicable

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

Compliant  Partially compliant  Explain  Not applicable

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

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

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

Compliant  Partially compliant  Explain

**13. The board of directors has enough members in order to implement efficient and participative proceedings, which makes it advisable that the board should have between five and fifteen members.**

Compliant  Explain

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

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

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

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

Compliant  Partially compliant  Explain

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

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

Compliant  Partially compliant  Explain

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

This criterion may be reduced:

- a) In large-cap companies where few shareholdings are legally considered significant.
- b) In companies where there is a diversity of shareholders represented on the Board of Directors and there are no links between them.

Compliant  Explain

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

However, where the Company is not a large-cap or where, if it is, it has a shareholder or several acting

together, who control more than 30% of the share capital, the number of independent directors should represent at least one third of all directors.

Compliant [ ] Explain [X]

**EXPLANATION:** The Company has 4 independent Directors out of its 13 Directors. Thus, although the percentage of independent Directors does not reach the 50% set forth in the recommendation, it is estimated in view of the Company's current shareholder structure that the representation of this type of directors is adequate and, therefore, that all interests are properly represented in the management body.

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

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

Compliant [X] Partially compliant [ ] Explain [ ]

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

Compliant [ ] Partially compliant [ ] Explain [ ] Not applicable [X]

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

Compliant [X] Partially compliant [ ] Explain [ ] Not applicable [ ]

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

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

Compliant [X] Explain [ ]

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

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

Compliant  Partially compliant  Explain

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

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

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

Compliant  Partially compliant  Explain  Not applicable

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

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

Compliant  Partially compliant  Explain  Not applicable

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

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

28. When the directors or the secretary express concerns about a particular proposal or, in the case of the directors, about the Company's progress and such concerns are not resolved within the Board of Directors, this is recorded in the minutes at the request of whoever expressed such concerns.

Compliant  Partially compliant  Explain  Not applicable

29. The Company shall establish suitable channels for directors to obtain the advice they need to carry out

their duties, extending if necessary to external assistance at the Company's expense.

Compliant  Partially compliant  Explain

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

Compliant  Explain  Not applicable

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

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain  Not applicable

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

Compliant  Explain

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

- a) The quality and efficiency of the Board of Director's performance.
- b) The operations and the composition of its committees.
- c) The diversity of Board membership and competences.
- d) The performance of the Chairman of the Board of Directors and the Chief Executive Officer of the Company.
- e) The performance and contribution of each Director, paying particular attention to those who are in charge of the various board committees.

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

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

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

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain  Not applicable

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

Compliant  Partially compliant  Explain  Not applicable

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain  Not applicable

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

**1. With regard to information systems and internal control:**

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

**b) Monitor the independence of the unit handling the internal audit; propose the selection, appointment and removal of the head of the internal audit service; propose the service's budget; approve or propose to the Board the approval of the internal audit annual work plans, ensuring that its activity focuses primarily on the main risks the company is exposed to (including reputational risks); receive regular reports on its performance; and verify that senior management are acting on the findings and recommendations of its reports.**

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

2. With regard to the external auditor:

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain  Not applicable

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

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

Compliant  Partially compliant  Explain

46. Under the direct supervision of the Audit Committee or, if any, of a specialised committee of the Board of Directors, there is an internal risk management and control function exercised by a unit or internal

department of the Company that has expressly attributed the following functions:

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

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

Compliant  Explain  Not applicable

**Explanation:** In view of the Company's structure as at 31 December 2024, in particular the number of employees and officers, as well as its organisation and activity, it is considered appropriate to keep a single ARC. Besides the reasons related to its internal organisation and the amount of employees in the Company, Colonial believes that, given its current structure, it would not be efficient to split the Appointments and Remuneration Committee's functions between two Committees. Instead, having a single Committee makes it easier to coordinate its expected functions without hindering in any way compliance with the duties set by law. Likewise, keeping these functions under a single Committee means that the Company can optimise costs and not duplicate compensation paid to Directors for the performance of the same functions for two different bodies. In addition, if it were split, it is likely that the same members would sit on both Committees given the number of independent Directors on the Board of Directors. For these reasons, it does not seem necessary or convenient to split the Appointments and Remuneration Committee into two Committees for the time being.

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

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

Compliant  Partially compliant  Explain

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

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



corporate documents, including the Annual Report on Directors' Remuneration.

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

**52. The rules regarding the composition and proceedings of the supervisory and control committees should be listed in the Board Regulations and be consistent with those applicable to the legally mandatory committees under the foregoing recommendations, including the following:**

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

Compliant  Partially compliant  Explain

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

Compliant  Partially compliant  Explain

**54. The minimum duties mentioned above are as follows:**

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

Compliant  Partially compliant  Explain

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

- a) The principles, commitments, targets and strategy regarding shareholders, employees, clients,**

suppliers, social and environmental issues, diversity, tax responsibility, respect for human rights and the prevention of corruption and other illegal conducts.

- b) The methods or systems used to monitor compliance with the policies and the related risks and the management thereof.
- c) Mechanisms used to monitor non-financial risks, including those related to ethical matters and business conduct.
- d) The channels of communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that prevent manipulation of information and protect integrity and honour.

Compliant  Partially compliant  Explain

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

Compliant  Explain

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

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

Compliant  Partially compliant  Explain

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

And in particular, the variable components of remunerations:

- a) Should be linked to performance criteria that are predetermined and measurable, and these criteria should consider the risk taken to obtain a result.
- b) Should promote the sustainability of the Company and include non-financial criteria that are suitable for creating long-term value, such as compliance with the Company's internal rules and procedures and its policies for risk management and control.
- c) Should be set on the basis of a balance between fulfilling short-, medium- and long-term goals, to remunerate the results from continued performance over a sufficient period of time to appreciate their contribution to sustainable value creation, so that the elements that measure the results do not revolve solely around specific, occasional or extraordinary events.

Compliant  Partially compliant  Explain  Not applicable

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

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

Compliant  Partially compliant  Explain  Not applicable

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

Compliant  Partially compliant  Explain  Not applicable

**61. A significant percentage of the variable remuneration of executive directors should be linked to the delivery of shares or financial instruments referenced to their value.**

Compliant  Partially compliant  Explain  Not applicable

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

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

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

Compliant  Partially compliant  Explain  Not applicable

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

Compliant  Partially compliant  Explain  Not applicable

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

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

Compliant  Partially compliant  Explain  Not applicable

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

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

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

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

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

2. On 27 July 2016, as a result of an amendment to the Regulations of the Board of Directors, it was decided that the ARC would be responsible for supervising compliance with the rules of corporate governance and other related matters. By virtue of the foregoing and to implement best corporate governance practices at Colonial, the ARC created the Regulatory Compliance Division, reporting directly to the Committee and made up of the Chairperson of the ARC and the Head of the Legal Department at the company. Furthermore, on 17 December 2020, the Board resolved to amend the Board Regulations to align them with the new amendments to the good governance recommendations approved by the CNMV in June 2020. On the same date, the Board created the SC, whose primary duties include periodically ensuring proper compliance with the environmental and sustainable development policies approved by the Company. During the second half of 2024, the Company modified its compliance model by appointing a Chief Compliance Officer to take on the duties previously carried out by the Regulatory Compliance Division.

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

4. Regarding the information on the ACC provided in section C.2.1, the Company reports that the non-audit services provided by the external auditor in 2024 consisted of an independent review and limited assurance reports on: (i) the ESG indicators contained in the Integrated Annual Report; (ii) the inventory of greenhouse gas indicators; and (iii) the "Green Bonds Report 2023".

5. The Related-Party Transaction specified in this report is the only transaction that the ACC considered as a Related-party Transaction in 2024 under the Spanish Limited Liability Companies Law, without prejudice to any transactions that have been considered as such under the accounting standards included in Note 20 of Colonial's individual financial statements.

6. In December 2024, the Company approved the amendment of the Audit and Control Committee Regulations to align their content to the provisions set forth in the CNMV Technical Guide 1/2024 on

Audit Committees of public-interest entities.

7. At the Ordinary General Meeting of Shareholders held on 13 June 2024, Deloitte, S.L. was appointed, under item four of the agenda, as the new auditor of Inmobiliaria Colonial, SOCIMI, S.A. and its consolidated group for the years ending on 31 December 2025, 2026 and 2027.

This Annual Corporate Governance Report was approved by the Company's Board of Directors at its meeting held on 27th February 2025.

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

Yes [ ]

No [X]

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

\* \* \* \* \*