



PROPOSAL BY THE BOARD OF DIRECTORS OF INMOBILIARIA COLONIAL, S.A., IN RELATION TO THE PROPOSAL TO APPROVE THE REMUNERATION POLICY FOR THE DIRECTORS OF INMOBILIARIA COLONIAL, S.A. (AGENDA ITEM 15).

Under Item 15 of the agenda, submitted for approval by the General Shareholders' Meeting is the Remuneration Policy for the Directors of Inmobiliaria Colonial, S.A. ("**Colonial**" or the "**Company**"), prepared under the terms set forth in Article 529 novodecies of the Spanish Limited Liability Companies Law (the "**Remuneration Policy**").

The Board has agreed to submit for approval before the General Shareholders' Meeting the Remuneration Policy object of this reasoned proposal deriving from the report and proposal received from the Appointments and Remuneration Committee, which the Board endorses in all of its terms.

The remuneration of the directors in their capacity as such, which is included in the Remuneration Policy, is consistent with the remuneration system set forth in Articles 30 of the Bylaws and 31 of the Regulations of the Board of Directors and with the proposal for a fixed maximum amount of said remuneration which is submitted to the General Shareholders' Meeting under item 15 of the agenda.

Likewise, remuneration for the performance of executive functions which are similarly described in the Remuneration Policy fulfil the requirements deriving from the Spanish Limited Liability Companies Law and the principles and rules of the Bylaws and the Regulations of the Board of Directors.

The Board considers that the Remuneration Policy, the approval of which is proposed, is reasonably aligned with the importance of the Company, adapts to its economic situation and is in accordance with the standards of the market of comparable companies, both domestic and international. Furthermore, the factors that condition the different components of the remuneration for the performance of executive functions are compatible with an adequate and efficient management of the risks, without offering the executive directors incentives to assume risks that are beyond the level tolerated by the Company, and it is compatible with the strategy, objectives, values and long-term interests of Colonial.

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