

**REPORT BY THE APPOINTMENTS AND REMUNERATION COMMITTEE ON
ITS PERFORMANCE DURING 2022**

1. INTRODUCTION

The Appointments and Remuneration Committee of Inmobiliaria Colonial, SOCIMI, S.A. (“Colonial” or the “Company”) has issued this report on its structure, organisation and performance and on the fulfilment of its responsibilities throughout 2022 (the “Report”). For the purposes of this report, the members of the Appointments and Remuneration Committee were sent a questionnaire about its structure, organisation and performance and the fulfilment of its responsibilities. The questionnaire was drawn up by Georgeson, an external expert, and answered by the members of the Appointments and Remuneration Committee.

The report will be submitted to the Board of Directors of the Company, which will be the body entrusted with assessing the performance of the Appointments and Remuneration Committee (the “Committee”) pursuant to Article 35 of the Regulations of the Board of Directors.

2. CONCLUSIONS DRAWN FROM THE ASSESSMENT PROCESS

From the assessment process carried out by the Committee regarding its performance, in general terms, positive conclusions have been drawn, both in relation to its members and internal organization and in the performance of the responsibilities bestowed upon it.

2.1. Committee Composition

The Committee is made up of 5 members, thereby complying with the maximum and minimum limits required by Article 33 of the Regulations of the Board of Directors, which establishes that the Committee must be made up of at least 3 Directors but no more than 8.

All the members of the Committee are non-executive Directors, including two proprietary Directors and three independent Directors. Furthermore, the Committee is chaired by an independent Director, Ms Ana Bolado Valle. Article 33 of the Regulations of the Board of Directors has therefore been complied with.

The current members of the Company Committee are as follows:

NAME	POSITION	CAPACITY
Ms Ana Bolado Valle	Chairwoman	Independent
Mr Adnane Mousannif	Member	Proprietary
Mr Juan Carlos García Cañizares	Member	Proprietary
Mr Luis Maluquer Trepas	Member	Independent
Ms Silvia Mónica Alonso-Castrillo Allain	Member	Independent

Committee members have the knowledge, skills and experience necessary for the performance of the Committee’s duties. In connection with this, the Directors’ academic and professional profiles are available on the Company’s website.

On the basis of this, it can be concluded that the Committee is duly organised and made up of Directors who have the skills and qualifications required for their roles.

2.2. Committee Functioning

In 2022, the Committee met on 10 occasions. The meetings were held on the following dates: 18 January, 3 and 16 February, 23 March, 4 May, 7 June, 21 July, 22 September, 10 November and 14 December.

The Committee meetings were held by video conference using software such as Teams, as provided in the Company's internal rules. One of the ten sessions was a physical meeting. At each of the aforementioned meetings, the Secretary acknowledged the identity of all present members of the Committee.

Consequently, the Appointments and Remuneration Committee fulfilled its obligation to meet with the regularity required to carry out its functions in an effective manner.

Regarding the preparation and running of the meetings, the Chair of the Committee calls meetings with sufficient notice, which are attended regularly by the Directors. In accordance with Article 33 of the Regulations of the Board of Directors, in the event that any Committee members are unable to attend for justified reasons, they may delegate their vote to another member, providing instructions to their chosen representative. In relation to this, all meetings in 2022 were attended in person by all members of the Committee, except for two directors, who were unable to attend two sessions, for which they granted a proxy with voting rights to another director.

Additionally, prior to each meeting, the members of the Committee were provided with the information on the agenda, thereby encouraging them to participate actively and to reach informed agreements.

In addition to the members of the Committee, meetings were also attended as guests by, among others, the CEO and the Head of Human Resources and General Services of the Company, as well as by representatives of Willis Towers Watson and Russell Reynolds.

Finally, it must be stipulated that the Secretary recorded the minutes of all the meetings held, setting out the proceedings, contents, deliberations and agreements adopted. The minutes of the Committee meetings were given to all members of the Committee and are available to all Directors.

It was therefore concluded that the Committee complies with the operating rules set forth in the Company Bylaws and in the Regulations of the Board of Directors and organises itself in a proper and efficient manner for the performance of its duties and the achievement of its goals.

2.3. Committee Competencies

The Committee efficiently fulfils the duties it has been entrusted with in accordance with Article 33 of the Regulations of the Board of Directors. The Committee has thus performed the following functions, among others, during 2022:

A) Ordinary Management

- Coordinating and submitting to the Board its assessment reports in relation to the Board of Directors and the Committee and the performance of the Chairman of the Board, the CEO and the Secretary to the Board, with the advice of Spencer Stuart for 2021 and that of Georgeson for 2022, as well as all the recommendations and suggestions for improvements made by the directors in the assessment forms.
- Refocusing the directors' refresher and training plan. Training/Refresher courses for Directors covering the following matters were held during the year: (i) The Status of the Paris Real Estate Market; and (ii) Investor Relations.
- Examining the qualifications of the members of the Board of Directors in accordance with their corporate documents, the Spanish Limited Liability Companies Law and the corporate governance recommendations.
- Sending the proposed schedule for the Committee's annual meetings to all the directors.
- Proposing and producing a report supporting the re-election by the General Meeting as directors of

the Company of Mr Juan José Brugera, Mr Pedro Viñolas Serra, Mr Juan Carlos García Cañizares, Mr Javier López Casado and Mr Luis Maluquer Trepas.

- Producing a report for the Board of Directors supporting the re-election and appointment of Mr Viñolas Serra as CEO and Executive Vice-Chairman of the Company.
- Proposing and producing a report for the Board of Directors supporting the re-election and appointment of Mr Juan José Brugera, Mr Pedro Viñolas Serra, Mr Carlos Fernández González, Mr Adnane Mousannif, Mr Juan Carlos García Cañizares and Mr Luis Maluquer Trepas as members of the Company's Executive Committee.
- Producing a report for the Board of Directors supporting the proposed appointment of Ms Begoña Orgambide García as proprietary Director of the Company on behalf of Grupo Finaccess upon the death of the Proprietary Director Mr Javier López Casado.

B) Corporate Governance

- Analysing the degree of compliance with corporate governance recommendations in accordance with the Annual Corporate Governance Report.
- Reviewing the succession plan for the Chairman of the Board of Directors and the CEO, and carrying out the process for replacing the executive chairmanship of the Board with a non-executive chairmanship.
- Analysing and drawing up a competency matrix of the members of the Board that is included in the Integrated Annual Report.

C) Remuneration matters

- Issued a favourable report and proposed to the Board of Directors approval of the Annual Report on Directors' Remuneration.
- Analysing, discussing and amending the 2022 variable remuneration targets to assess the performance of the Management Committee.
- Ensuring that the remuneration policy finally established by the Company was being observed and, in particular, tabled a proposal to the Board of Directors concerning variable compensation for the Chairman and CEO.
- Issuing a favourable report on the fixed and variable remuneration of the Company's management team as proposed by the CEO.
- Analysing and discussing SFL's remuneration system and long-term incentive plans in order to bring them into line with those of the Company.

In accordance with all the above, it may be concluded that the Committee efficiently undertakes and fulfils the responsibilities assigned to it by the applicable regulations and by the Company's corporate documents.

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