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***ANNUAL REPORT OF THE ACTIVITIES OF THE
APPOINTMENTS AND REMUNERATION COMMITTEE***

2014-2015



24 November 2015

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A

(THE “COMPANY”)

APPOINTMENTS AND REMUNERATION COMMITTEE

Report on functions and activities

Financial year 2014-2015

1.- Regulation

The Company's Appointments and Remuneration Committee was constituted by the Company's Board of Directors in the meeting held on 4 June 2014, before the shares were approved for listing on Spain's Official Stock Exchanges.

The Committee is regulated in article 43 bis of the Articles of Association and in articles 15 and 18 of the Board of Directors' Regulations, Consolidated Text of 16 December 2014.

Pursuant to the aforementioned regulations, the Board of Directors shall create an Appointments and Remuneration Committee made up of at least three Board Members, appointed by the Board of Directors, all of whom shall be non-executive. At least two of the members of the Committee shall be independent.

The members of the Appointments and Remuneration Committee shall choose a President from among the independent Board Members that form part of it.

The Secretary of this Committee, shall be the Secretary of the Board of Directors or the Vice-Secretary, if applicable.

Notwithstanding other roles assigned by the Board, the Appointments and Remuneration Committee shall have the following responsibilities:

- a) To assess the competencies, know-how and experience required on the Board. To this effect, the functions and skills required and the candidates that should cover the vacancy shall be defined and the time and dedication required for efficiently carrying out the tasks shall be assessed.
- b) To establish a representation target for the gender that is least represented in the Board of Directors and to create guidelines on how to achieve this target.
- c) To submit the proposals for the appointment of independent Board Members to the Board of Directors for their co-opted nomination or to submit them to the decision of the General Meeting of Shareholders, together with the proposals for re-electing or removing these Board Members by the Meeting.

- d) To inform of the appointment, ratification, re-election or removal of non-independent Board Members, as well as the appointment and removal of the Chief Executive Officers and members of the Executive Committee and the permanent delegation of powers in their favour.
- e) To communicate the proposals for the appointment and removal of the President, Vice-president, Secretary and Vice-secretary of the Board of Directors.
- f) To examine and organise, in such a way that it is easily understood, the succession of the Company's President and first officer and, where applicable, submit proposals to the Board, so that said succession takes place in an orderly and well-planned manner.
- g) To communicate the proposals for the appointment and removal of senior executives proposed by the first officer to the Board.
- h) To propose the Remuneration Policy for Members, as such and that of the Board Members that carry out executive functions, to the Board of Directors for approval by the General Meeting.
- i) Propose the following to the Board for approval:
 - i) The Annual Remuneration Report for Board Members, which the Board will submit to the General Meeting, for consultation purposes.
 - ii) The individual remuneration of Executive Directors and other terms and conditions of their contracts.
 - iii) The Remuneration Policy for Managing Directors or those that carry out senior management functions, reporting directly to the Board of Directors, to the executive Committee or the Chief Executive Officer, as well as the basic terms and conditions of their contracts.
- j) To ensure compliance with the remuneration policy established by the Company.
- k) To ensure that the selection processes do not contain implicit irregularities that hinder the selection of female Board Members.
- l) Any other responsibility or function attributed by Law, the Articles of Association or this Regulation.

The Appointments and Remuneration Committee shall meet whenever convened by the President or when two of its members request a meeting and when the Board or its President asks for a report to be issued or proposals to be adopted and, in any event, whenever it is required in order to fulfil its functions correctly.

The Appointments and Remuneration Committee shall consult with the President and the Company's Chief Executive particularly when it concerns matters related to Executive Directors and senior managers.

All members of the management team or Company personnel required shall have to attend the Committee's sessions and collaborate and provide any available information.

2.- Composition

At 30 September 2015, the Committee was composed as follows:

Job Title:	Members	Date of appointment	Nature
President	Mr Gregorio Marañón y Bertrán de Lis	09/06/2014	Independent
Members	Mr John Downing	09/06/2014	Proprietary
	Mr Stéphane Lissner	09/06/2014	Independent
	Mr Eduardo Zaplana Hernández-Soro (Board Members).	09/06/2014	Independent
(Non-member Secretary)	Mr Rafael de Juan López	09/06/2014	-----

3.- Activities

During 2014-2015 financial year, the Company's Appointments and Remuneration Committee held four sessions:

1st SESSION – 19 NOVEMBER 2014

Present at this session were Mr Gregorio Marañón y Bertrán de Lis (President), Mr John Downing, Mr Stéphane Lissner and Mr Eduardo Zaplana Hernández-Soro (Board Members).

Also present were the Chief Executive Officer of the Company, (Mr Luis Egido Gálvez), the Corporate Finance Director (Mr Manuel Suárez Noriega), and the Corporate Director of Human Resources (Mr Rafael Martí).

The Appointments and Remuneration Committee discussed the following matters:

- Draft Regulation Bill of the 2014 General Share Plan and Special Share Plan

- With regard to the abovementioned matter, the Corporate Director of Human Resources informed the Committee of the following:

The General Meeting of Shareholders of Compañía de Distribución Integral Logista Holdings, S.A., in its session held on 4 June 2014, approved the application of a remuneration system (2014 General long term Incentive Plan and 2014 Special long term Incentive Plan) consisting of granting to the Company's Executive Directors and to certain

Executives and employees and some subsidiary companies thereof, the right to consolidate a specific Company share incentive if specific objectives were met.

Similarly, the Meeting established the general characteristics of both Incentive Plans, which were included in the Prospectus for the Sale Offer and admission to trading of the Logista Holdings shares in the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges.

Lastly, the Meeting delegated broad powers to the Board of Directors to apply, execute and develop both long term Incentive Plans.

The implementation of the Plans requires the following actions to be carried out.

1. Approval by the Company's Board of Directors, at the proposal of the Appointments and Remuneration Committee, of the Regulations of both Incentive Plans.
2. Establishment of the sum of the variable remuneration for the 2013/2014 period for the potential Beneficiaries of the 2014 General Long Term Incentive Plan.
3. Establishment of the fixed salary for the potential beneficiaries of the 2014 Special Long Term Incentive Plan.
4. Determination of the group of beneficiaries of both Incentive Plans:
 - o The General Meeting of Shareholders of Compañía de Distribución Integral Logista Holdings, S.A., in its session held on 4 June 2014, pursuant to Spanish legislation, agreed to grant the Chief Executive Officer of the Company and the Board Member Secretary thereof an Initial Recognised Incentive, in shares, for the maximum sum included in both Plans for Executive Directors.
 - o The Company's Board of Directors is the body responsible for appointing the other beneficiaries and may grant this function to the Appointments and Remuneration Committee and/or the Chief Executive Officer.

In relation to the content of both Regulations, Mr Martí states that the Regulations of both Plans establish the rules that shall govern how they function, pursuant to the proposal to the Board of Directors Meeting and the provisions approved by the Company's General Meeting of Shareholders held on 4 June.

The Corporate Director of Human Resources invited the Committee to include, in their respective Regulations, the following Consolidation Objectives for the First Consolidation Period (2014-2017):

- 2014 General Long Term Incentive Plan

a) Total Shareholder Return Criteria (TSR)

- i) Pursuant to this criteria, where applicable, 25% of Beneficiaries' Number of Recognised Shares will be consolidated.

- ii) Establish 4.30 euros per Share, starting with a Share Reference Value of 13 euros per share.
- iii) The table that will determine the Consolidation Percentage according to the TSR

b) Comparative Return Criteria (CRC)

- i) Pursuant to this criteria, where applicable, 25% of Beneficiaries' Number of Recognised Shares will be consolidated.
- ii) Comparable companies
- iii) Consolidation Percentage, according to CRC criteria

c) Financial Return Criteria

- i) Pursuant to this criteria, where applicable, 50% of Beneficiaries' Number of Recognised Shares will be consolidated.
- ii) Consolidation Percentage, pursuant to this criterion

- 2014 Special Long Term Incentive Plan

The Consolidation Objectives and the Consolidation Percentages proposed to include the implementing Regulation are the same as those included in the General Plan's Regulations, however, the percentage of the Number of Recognised Shares for Beneficiaries that will be consolidated, where applicable, pursuant to the Shareholder Total Return Criteria (STR), Comparative Profitability (CPC) and Financial Profitability are, respectively, 35%, 32% and 33%.

- The Committee unanimously agreed to issue a favourable opinion and submitted the following to the approval of the Board of Directors:
 - 1) The 2014 General Long Term Share Incentive Plan Regulations
 - 2) The 2014 Special Long Term Share Incentive Plan Regulations

- Variable Remuneration System

- The Corporate Finance Director, Mr Suárez, informed the Committee about the level of fulfilment of the Group's Business objectives during 2013-2014.

Taking into account the objectives established in Standard 1/2011 on Variable Remuneration (Group's EBIT and Working Capital) and the real adjusted figures of both objectives of 2013-2014, the Corporate Finance Director indicated that the level of fulfilment of the Group's Business objectives was 87%.

- The Appointments and Remuneration Committee unanimously acknowledged the information and agreed that this percentage of fulfilment should be applied to determine the variable remuneration for the 2013-2014 financial period.
- The Corporate Finance Director outlined the Group's Business objectives to the Committee for the 2014-2015 period based on the Group's Budget, approved by the Board of Directors on 27 October 2014, as well as the measurement table for the fulfilment thereof.

2ND SESSION - 16 DECEMBER 2014.

Present at this session were Mr Gregorio Marañón y Bertrán de Lis (President), Mr John Downing, Mr Stéphane Lissner, and Mr Eduardo Zaplana Hernández-Soro (Board Members).

Also present were the Chief Executive Officer of the Company, (Mr Luis Egido Gálvez).

The Appointments and Remuneration Committee studied the following matters:

- Remuneration of Executive Directors

- The Board Secretary informed the Committee that, the functions of the Appointments and Remuneration Committee, included submitting "*the individual remuneration of the Executive Directors and other terms and conditions of their contracts*" (Article 18.2 f) iii) of the Board's Regulations, to the Board of Directors for approval.

Not present were the Chief Executive Officer, Mr Luis Egido, and the Board Member Secretary, Mr Rafael de Juan, when the Committee discussed their respective remuneration.

Short-term variable Remuneration of the Executive Directors (Bonus) 2013-2014

With reference to the above, the Committee assessed:

- i) the degree of fulfilment of the Group's financial objectives (EBIT and Working Capital), with regard to those estimated in the Group's Budget.
- ii) the degree of fulfilment of the Group's strategic objectives.
- iii) The contribution and personal added value of each of the Executive Directors in obtaining the Group's overall results.

The maximum Bonus to be accrued during the last financial year is established at 100% of the Fixed Wage, for the Chief Executive Officer and 66.66% for the Board Member Secretary.

In accordance with that, the Appointments and Remuneration Committee unanimously agreed to propose to the Board of Directors the establishment of the 2013-2014 short term Variable Remuneration (Bonus) for Executive Directors, with a degree of fulfilment of

objectives of 100% for the Chief Executive Officer and 93.5% for the Board Member Secretary.

Executive Directors fixed wage 2014-2015

In order to determine the 2014-2015 fixed wage, the Committee:

- 1) Used the services of Towers Watson, a subject-matter expert, providing the Committee with a reference market study of the Company, taking into account, among other factors, (i) a sufficient number of companies in order to obtain representative results that are statistically reliable and solid; (ii) size data: turnover, market capitalisation, assets and number of employees; (iii) scope of responsibility: Companies listed on the IBEX35 and on the continuous market; (iv) sectorial distribution: Multi-sectorial sample with a homogeneous distribution among activity sectors.
- 2) The contribution and personal added value of each of the Executive Directors to the Group was assessed.

In accordance with that, the Appointments and Remuneration Committee unanimously agreed to propose the Fixed Wage for the Chief Executive Officer and for the Board Member Secretary to the Board of Directors.

The Committee established that the Fixed Wage proposed for the Chief Executive Officer remained approximately 10% below the average of comparable companies in the market, therefore the Committee proposed to the Board to increase the Fixed Wage of the Chief Executive Officer during the next financial year by at least 10%.

Short-term variable Remuneration for Executive Directors (Bonus) 2014-2015

The Committee discussed this matter and, finally, unanimously agreed to propose the following to the Board of Directors:

- i) For the 2014-2015 Bonus to have, as outlined, a maximum limit of 100% of the Fixed Wage for the Chief Executive Officer and 66.66% of the Fixed Wage for the Board Member Secretary.
- ii) To establish the Group's Business Objectives (EBIT and Working Capital), which are estimated in the Group's Annual Budget, as Compliance Objectives.
- iii) That the assessment of these Objectives should be carried out by the Appointments and Remuneration Committee, taking into account the measurements established in the regulations concerning the Company's Variable Remuneration and the degree of fulfilment of the Strategic Objectives established by the Board of Directors.

- Annual Report on Remuneration for the Company's Directors 2013-2014

The Secretary of the Board informed the Committee of the following:

- 1) Article 61 ter of the Stock Market Law established the obligation of the Board of Directors of listed public limited companies to prepare an Annual Report on Directors' Remuneration.

Law 31/2014 of 3 December reforming the Capital Company Act for the improvement of corporate governance includes a new section in said Law on the Corporate Governance Annual Report and Annual Report on Remuneration of Directors (Articles 540 and 541, respectively), repealing articles 61 bis and 61 ter of the Stock Market Law from 25 December, which until now included the regulations on said issues.

Article 541 of the Capital Company Act establishes that:

- "1. The Board of Directors of listed public companies shall prepare and publish an annual report on the remuneration of directors, including those received or which should be received in the capacity as such and, where applicable, for carrying out executive functions.*
- 2. The annual report on the remuneration of directors should include complete, clear and comprehensible information regarding remuneration policies during the year ended, together with details of individual remuneration accrued for all items for each of the directors during that year.*
- 3. The annual report on the remuneration of directors shall be made available as a relevant matter by the company together with the corporate governance annual report.*
- 4. The annual report on the remuneration of directors shall be put to the vote, for consultation purposes and as a separate point on the agenda of the ordinary general meeting of shareholders."*

The Board Secretary explained the basic content of the Annual Report on the Remuneration of the Directors for the 2013-2014 period to the Committee, which was prepared with the collaboration of the Group's Human Resources Corporate Management department and that of an external consultant specialising in these issues, Towers Watson.

The report was structured around four main subjects:

- A. The company's remuneration policy for the ongoing year.
- B. The remuneration policy planned for future financial years.
- C. Overall summary of how the remuneration policy was applied during the closed fiscal year.

D. Details of the individual remuneration accrued by each director.

The Company included the following information concerning the directors, in each of the chapters that form part of the report on remuneration:

A. The company's remuneration policy for the ongoing year.

- ✓ Explanation about the remuneration policy together with the process followed to determine this.
- ✓ Explanation about the fixed and variable components of the directors' remuneration.
- ✓ Explanation about the long term saving systems, compensation and remuneration in kind, together with other items that could be included in the remuneration package for directors.
- ✓ Explanation about the measures implemented in relation to the remuneration system in order to reduce the exposure to risks and adjust it to the long term objectives, values and interests of the company.

B. The remuneration policy planned for future financial years.

- ✓ General forecast of the remuneration policy and the decision making process that has been followed to design the policy.
- ✓ Explanation about the incentives created in the remuneration system in order to reduce the exposure to risks and adjust it to the long term objectives, values and interests of the company.

C. Overall summary of how the remuneration policy was applied during the closed fiscal year.

- ✓ Structure and remuneration items of the remuneration policy applied during the financial year referred to in the report.

D. Details of the individual remuneration accrued by each director:

- ✓ List of the directors' remuneration and the results and other performance measurements of the company.

- 2) The CNMV by means of the Circular 4/2013 of 12 June, established the model, in terms of the format, content and structure of this report.
- 3) Pursuant to the provisions of the Company's Board Regulations, Consolidated Text of 16 December 2014, the Appointments and Remuneration Committee is responsible for proposing "the Annual Report on the Remuneration of Directors" to the Board of Directors, which the Board shall submit to the General Meeting for consultation purposes." (Article 18 2 f) ii)).

The Appointments and Remuneration Committee unanimously agreed:

- To issue a favourable opinion on the 2013-2014 Annual Report on the Remuneration of the Company's Directors and proposed the approval thereof to the Board of Directors which, in turn, submitted it to the General Meeting of Shareholders, in an advisory vote and as a separate point on its Agenda.

- Proposal to the Board on the establishment by the General Meeting of the maximum annual sum of Directors' remuneration, in their capacity as such, for the 2014-2015 financial year.

- The Committee proposed to the Board of Directors to submit the approval of the sum of one million three hundred thousand euros to the General Meeting, as a maximum annual sum of cash remuneration for Directors, for fixed assignment items and travel expenses for attending the Board meetings and those of its Committees.

3rd SESSION – 29 JANUARY 2015

Present at this session were Mr Gregorio Marañón y Bertrán de Lis (President), Mr John Downing Mr Stéphane Lissner and Mr Eduardo Zaplana Hernández-Soro (Board Members).

Also present were the Chief Executive Officer of the Company, (Mr Luis Egido Gálvez) and the Corporate Director of Human Resources (Mr Rafael Martí).

The Committee studied the following issues:

- Settlement of the First Consolidation Period (2011-2014) for the Long Term Incentive Plan 2011 of Logista SAU

The Corporate Director of Human Resources informed and proposed the following to the Committee:

The number of Beneficiaries of the Plan's three phases was:

	Number of Beneficiaries First phase Financial year 2011/2012:	Number of Beneficiaries Second phase Financial year 2012/2013:	Number of Beneficiaries Third phase Financial year 2013/2014:
Executive Directors	2	2	2
Other beneficiaries	47	54	48
Total beneficiaries	49	56	50

The estimated cost of the first phase of the Plan was 1,848,190 euros; that of the second phase was 2,044,283 euros and that of the third phase was 1,814,465 euros, assuming 100% compliance of the Stated Target.

The Plan's Consolidated Incentive is determined by comparing the Operating Profit Obtained by the Group during the Consolidation Period together with the Group's Estimated Operating Profit for that same Period and as long as the first exceeds the second by at least 80%.

The Corporate Finance Director is responsible for determining the Operating Profit Obtained for each consolidation Period, pursuant to the Plan's Regulations.

In accordance with that, the Level of Compliance of the Objective for the Consolidation of the Incentive was established at 98.9% (Operating Profit Obtained 659 million euros compared with an Estimated Operating Profit for that same Period of 666.2 million euros), given that the Final Incentive is consolidated in the same proportion pursuant to the Plan's Regulations, as indicated below.

Consequently, the real cost of the Plan's First Consolidation Period was 1,662,274 euros.

The Appointments and Remuneration Committee issued a unanimous favourable opinion on the proposal and invited the Board of Directors to approve it.

- Settlement of the First Consolidation Period (2011-2014) for the Long Term Special Incentive Plan 2011 of Logista SAU

The Corporate Director of Human Resources informed and proposed the following to the Committee:

The number of Beneficiaries of the Special Plan's three phases was:

	Number Beneficiaries First phase Financial year 2011/2012:	Number Beneficiaries Second phase Financial year 2012/2013:	Number Beneficiaries Third phase Financial year 2013/2014:
Executive Directors	2	2	2
Other beneficiaries	9	10	10
Total beneficiaries	11	12	12

The estimated cost of the first phase of the Special Plan was 907,074 euros; that of the second phase was 965,328 euros and that of the third phase was 1,010,072 euros, assuming 100% compliance of the Stated Target.

The Consolidated Incentive of the Special Plan is determined by applying a table included in the Plan and which compares the Operating Profit Obtained by the Group during the Consolidation Period with the Estimated Operating Profit of the Group for that same Period and as long as the Operating Profit Obtained during a Consolidation Period is the same or three times that of the Operating Profit Obtained during the year preceding the Consolidation Period Start Date (the Minimum Operating Profit).

The Corporate Finance Director is responsible for determining the Operating Profit Obtained in each Consolidation Period, pursuant to the Plan's Regulations.

The Operating Profit Obtained during the First Consolidation Period of 1 October 2011 to 30 September 2014, was 659 million euros compared with the Estimated Operating Profit for that same period of 666.2 million euros, with the Minimum Operating Profit being 635.1 million euros.

The Consolidation Percentage is the result of the application of the table included in Annex 1 of the Plan's Regulations and which is established at 83% of the Initial Recognised Special Incentive outlined below.

Consequently, the real cost of the Special Plan's First Consolidation Period was 721,231 euros.

The Appointments and Remuneration Committee issued an unanimous favourable opinion on the proposal and invited the Board of Directors to approve it.

- Proposal of Beneficiaries and Shares to be recognised for these, pursuant to the 2014 General and Special Share Plan of Grupo Logista. First Consolidation Period (2014-2017)

The Corporate Director of Human Resources reported the following:

Background

The General Meeting of Grupo Logista held on 4 June 2014 approved the following main aspects and characteristics of both Plans, conferring the powers upon the Board of Directors for the application, execution and development of both Long Term Incentive Plans.

The abovementioned General Meeting, in accordance with existing law, agreed, at the proposal of the Board of Directors, to confer to the Chief Executive Officer and to the Board Member Secretary an Initial Recognised Incentive in shares for the maximum sum established in both plans for Executive Directors.

The Group's Board of Directors held on 19 November 2014 at the proposal of the Appointments and Remuneration Committee:

- Approved the Regulations of both Plans.

- Established the Consolidation Objectives and the Consolidation Percentage for the First Consolidation Period 2014 – 2017, for the General Plan and for the Special Plan:
 - It established the Total Shareholder Return criteria (TSR) at 4.3 euros per share for the 2014 – 2017 Consolidation Period.
 - It established the comparison Group for the purpose of the Comparative Return Criteria (CRC) for the 2014 – 2017 Consolidation Period.
 - It established the Group’s Estimated Operating Profit for the 2014-2017 Consolidation Period at 729.3 million euros.

The general criteria for the inclusion in both Plans are established in general terms, in the respective Regulations of both Plans within the maximum limits established for this purpose:

- General Plan: 100% of the bonus accrued during the preceding financial year.
- Special Plan: 75% of the fixed salary for Executive Directors and 50% of the fixed salary for the rest of the beneficiaries.

Furthermore, other general criteria have been taken into account such as the existence of a high potential, high level of contribution and performance, as well as situations in which there was a high risk of abandonment.

Beneficiaries

The Proposed Beneficiaries for the 2014-2017 Consolidation Period for both Plans, were the following:

GENERAL PLAN

Group	Number Beneficiaries
Executive Directors	2
Senior Management	10
Business managers and other managers	39
Total	51

SPECIAL PLAN

Group	Number Beneficiaries
Executive Directors	2
Senior Management	8
Total	10

Number of Recognised Shares

The proposed Number of Recognised Shares for the 2014-2017 First Consolidation Period for both Plans, pursuant to the agreements of the General Meeting of Shareholders held on 4 June 2014, was as follows:

- the Number of Recognised Shares for the General Plan was 162,201 shares, fractions rounded off.
- the Number of Recognised Shares for the Special Plan was 73,806 shares.

In particular, the Number of Recognised Shares for Executive Directors shall be as follows.

GENERAL PLAN	Number of Recognised Shares
Chief Executive Officer	35,412
Board Member Secretary	13,304
Total	48,716

SPECIAL PLAN	Number of Recognised Shares
Chief Executive Officer	26,559
Board Member Secretary	16,024
Total	42,583

The total number of Recognised Shares for Senior Managers was 72,161 (General Share Plan 2014) and 31,223 (Special Share Plan 2014).

The Appointments and Remuneration Committee, unanimously approved the preceding proposal and issued a favourable opinion on the adoption by the Board of such proposal.

- Report on the Remuneration of the group included in the Variable Remuneration System (“LVC”)

The Committee received a report from the Corporate Director of Human Resources concerning the settlement of the 2013-2014 variable remuneration.

The average degree of fulfilment of the Variable Remuneration of the group of employees, included in said system (592 people) was 73,73% and the total accrued sum was €5,534,103 (36,245 euros less than that accrued during the 2012-2013 financial period).

- Report on the appointment of the Group’s Internal Audit Director

The Committee issued a unanimous favourable opinion regarding the replacement of the then Internal Audit manager by Ms Laura Templado Martín, as new Internal Audit Director of the Company and its subsidiary corporations.

- Report on the appointment of the new President of the Audit and Control Committee

The Committee issued an unanimous favourable report concerning the appointment of Ms Cristina Garmendia Mendizábal, Independent Director, as President of the Audit and Control Committee, replacing Mr Gregorio Marañón y Bertrán de Lis who, nevertheless, shall continue to be a member of the Audit and Control Committee.

4TH SESSION OF 24 MARCH 2015

Present in this session was the President, Mr Gregorio Marañón y Bertrán de Lis and all the members. (Mr John Downing, Mr Stéphane Lissner, and Mr Eduardo Zaplana Hernández-Soro).

Also present were the Chief Executive Officer of the Company, (Mr Luis Egido Gálvez).

The Committee studied the following matters:

- Report on the appointment by co-option of a Proprietary Director

The Appointments and Remuneration Committee unanimously decided that the new Proprietary Director proposed by Imperial Tobacco Group PLC, Mr Richard Hathaway, replacing Mr Adam Britner, has the competence and experience and suitable merits to be appointed and carry out the role of Director and accordingly it issued a favourable opinion concerning the proposed appointment, as Proprietary Director of the Company, by co-option, of Mr Richard Guy Hathaway.

- Proposal to remove an Executive

The Appointments and Remuneration Committee issued a unanimous favourable opinion concerning the proposal of the Chief Executive Officer of the Board of Directors, to remove the

International Tobacco Director, for objective reasons, and to terminate his labour relationship with Logista, SAU.

- Life and accident insurance for Executive Directors and Senior Managers

The Appointments and Remuneration Committee unanimously approved taking out a life and accident insurance policy for Executive Directors and Senior Managers, with a total annual premium of €27,000.

The preceding report is unanimously approved by all the members of the Appointments and Remuneration Committee in the session held on 24 November 2015.

Leganés, on 24 November 2015.

The Secretary of this Committee,

Rafael de Juan López