

ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

ISSUER IDENTIFICATION DETAILS

YEAR END-DATE

30/09/2022

TAX ID A-87008579

Company name:

Compañía de Distribución Integral Logista Holdings, S.A.

Registered office:

Calle Trigo 39 – Polígono Industrial Polvoranca – 28914 Leganés (Madrid)

**ANNUAL CORPORATE GOVERNANCE REPORT
OF LISTED PUBLIC LIMITED COMPANIES**

A OWNERSHIP STRUCTURE

A.1 Complete the table below with details of the company's share capital and voting right, including, where applicable, those corresponding to shares with loyalty voting rights, at the date of the financial year closing:

Indicate whether the company's articles of association contain provision for double loyalty voting:

No Yes

Date of approval at the general meeting: [dd/mm/yy]

Minimum period of uninterrupted ownership required by the articles of association:

Indicate whether the company has attributed loyalty votes:

No Yes

Date of last change of share capital	Share capital (euros)	Number of shares	Number of voting rights (not including additional votes attributed for loyalty)	Number of additional voting rights attributed corresponding to loyalty voting shares	Total number of voting rights, including additional votes attributed on the basis of loyalty
04/06/2014	26.550.000,00	132.750.000	---	---	132.750.000

Number of shares registered in the special register pending completion of the loyalty period:

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

Yes

No

A.2 List the company's significant direct and indirect shareholders at year end, including directors who have a significant shareholding:

Name or company name of the shareholder	% voting rights attributed to shares (including loyalty votes)		% voting rights through financial instruments		total % of voting rights	Of the total number of voting rights attributed to the shares, indicate, where applicable, the additional votes attributed which corresponding to the loyalty voting shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Imperial Brands, PLC	0	50.008	0	0	50.008	---	---
FMR LLC	0	3.018	0	0	3.018	---	---
Fernando María Masaveu Herrero	0.015	3.243	0	0	3.258	---	---

Detail of indirect participation

Name or company name of indirect holder	Name or company name of direct holder	% voting rights attributed to shares (including loyalty votes)	% voting rights through financial instruments	total % of voting rights	Of the total number of voting rights attributed to the shares, indicate, where applicable, the additional votes attributed which corresponding to the loyalty voting shares
Imperial Brands, PLC	Imperial Tobacco LTD	50.008	---	50.008	---
FMR LLC	FIAM LLC	0.862	---	0.862	---
FMR LLC	Fidelity Management & Research Company LLC	1.929	---	1.929	---
FMR LLC	Fidelity Management Trust Company	0.001	---	0.001	---
FMR LLC	FMR Investment Management (UK) Limited	0.226	---	0.226	---
Fernando María Masaveu Herrero	Corporación Masaveu	3.065	---	3.065	---

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

Most significant changes
<ul style="list-style-type: none"> ▪ On March 16, 2022, FMR LLC announced that it had exceeded the threshold of 3% of share capital in the Company. ▪ On April 29, 2022, Fernando María Masaveu Herrero announced that he had exceeded the threshold of 3% of share capital in the Company ▪ On July 18, 2022, Capital Research and Management Company and Capital Income Builder, Inc. reported that they had crossed down the 3% threshold of share capital in the Company.

A.3 Give details of the shareholding at year-end, by whatever percentage, of the members of the board of directors who hold voting rights attributed to shares in the company or through financial instruments, excluding the directors identified in section A.2 above:

Name or company name of director	% of voting rights attached to the shares (including loyalty votes)		% of voting rights through financial instruments		% of total voting rights	Of the total number of voting rights attributed to the shares, indicate, where applicable, the % of additional votes attributed corresponding to the loyalty voting shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Mr. Gregorio Marañón	0	0.033		0	0.033 ⁽¹⁾	0	0
Mr. Íñigo Meirás	0.049	0		0	0.049 ⁽²⁾	0	0

Total percentage of voting rights held by the Board of Directors	0.082
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Breakdown of the indirect holding:

Name or company name of director	Name or company name of the direct owner	% of voting rights attached to the shares (including loyalty votes)	% of voting rights through financial instruments	% of total voting rights	Of the total number of voting rights attributed to the shares, indicate, where applicable, the % of additional votes attributed corresponding to the loyalty voting shares
Mr. Gregorio Marañón	Cigarral de Inversiones, S.L.	0.016	0	0.016	0
Mr. Gregorio Marañón	Locales EMA, S.L.	0.016	0	0.016	0

Give details of the total percentage of voting rights represented on the board:

Total percentage of voting rights represented at the Board of Directors	0.082
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A.4 If applicable, indicate any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are insignificant or arise in the ordinary course of business, with the exception of those reported in section A.6:

Not applicable

A.5 If applicable, indicate any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or its group, unless they are insignificant or arise in the ordinary course of business:

<u>Related parties names or corporate names</u>
Imperial Brands PLC / Compañía de Distribución Integral Logista Holdings, S.A.
Kind of relationship: Contractual
Brief description: "ITG-LOGISTA HOLDINGS RELATIONSHIP FRAMEWORK AGREEMENT", dated June 12th, 2014.

Imperial Brands PLC (formerly named Imperial Tobacco Group-ITG) undertakes to maintain and respect the freedom of management and decision making of the administrative and managerial bodies of the Company, and the neutrality principle in its commercial and services relations with third parties, also establishing the confidentiality of the business information of the Company and the separation of their respective information systems.

The Framework Agreement also regulates related transactions between both companies, and the government and administration of the Company.

<u>Related parties names or corporate names</u>
Imperial Brands Finance PLC / Compañía de Distribución Integral Logista, S.A.U. and Compañía de Distribución Integral Logista Holdings, S.A.
Kind of relationship: Contractual
Brief description: "INTRA GROUP LOAN FACILITY AGREEMENT", dated June 12th, 2014, amended on December 1st, 2015, and extended on March 21st 2018.

Agreement on a reciprocal credit facility, in force until June 12, 2024 (with a yearly tacit renewal), with a maximum disposal limit of two thousand six hundred million euros, temporarily extended only for once, from 1 September to 31 October 2020, to four thousand and eight hundred million euros, considering the expected treasury status, pursuant to the contractual amendment agreed on 1 September.

According to this Agreement, Compañía de Distribución Integral Logista S.A.U. (100% subsidiary of the Company) will daily lend Imperial Brands Finance PLC (formerly named

Imperial Tobacco Finance PLC), its cash excess, at the base rate of the European Central Bank, plus a margin of 0.75%.

If Logista has to get into debt to meet the needs of its working capital, it can reciprocally borrow the amount from Imperial Brands Finance PLC.

A.6 Describe the relationships, unless insignificant for both parties, that exist between significant shareholders or shareholders represented on the Board and directors, or their representatives in the case of directors that are legal persons.

Explain, if applicable, how the significant shareholders are represented. Specifically, indicate those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders, or who are linked to significant shareholders and/or companies in their group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of any directors of the listed company, or their representatives, who are in turn members or representatives of members of the Board of Directors of companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders.

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship / post
Ms. Lillian Blohm	Imperial Brands PLC	Imperial Brands Plc	Ms. Blohm is one of the five proprietary Directors representing Imperial Brands PLC. She is also the Strategy Director in Manufacturing and Supply Area (MS) of such company.
Mr. John Downing	Imperial Brands Plc	Imperial Brands Plc	Mr. Downing is one of the five proprietary Directors representing Imperial Brands Plc. He is also the Imperial Group's General Secretary and Secretary non director of its Board of Directors.
Mr. Richard Hathaway	Imperial Brands Plc	Imperial Brands Plc	Mr. Hathaway is one of the five proprietary Directors representing Imperial Brands Plc. He is also the Corporate Development Director of such company.
Mr. Murray McGowan	Imperial Brands Plc	Imperial Brands Plc	Mr. McGowan is one of the five proprietary Directors representing Imperial Brands Plc. He is also the Chief Strategy and Development Officer.
Ms. Jennifer Ramsey	Imperial Brands Plc	Imperial Brands Plc	Ms. Ramsey is one of the five proprietary directors representing Imperial Brands Plc. She is the Senior Investor Relations Manager of such company.

A.7. Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Articles 530 and 531 of the Spanish Corporate Enterprises Act. If so, describe them briefly and list the shareholders bound by the agreement:

Yes No

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

Yes No

A.8 Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act. If so, identify them:

Yes No

Name of individual or company
IMPERIAL BRANDS PLC
Remarks
Indirect Participation of 50.008%, through Imperial Tobacco Limited

A.9 Complete the following table with details of the company's treasury shares:

At the close of the year:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
877,939	0	0.66%

A.10 Provide a detailed description of the conditions and terms of the authority given by the General Shareholders Meeting to the Board of Directors to issue, repurchase, or dispose of treasury shares.

The General Meeting of Shareholders of March 21, 2018 authorised the Board of Directors to acquire Company's own shares in the following terms:

"To authorize the Board of Directors so that pursuant to the provisions established in Article 146 of the Act on Capital Companies ("Ley de Sociedades de Capital"), it may acquire, at all times, shares in COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A., provided that:

- i) the face value of the shares acquired, in addition to those already held by the Company and/or its subsidiaries, does not exceed 10% of the share capital of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A., and
- ii) the acquisition, including any shares that the Company or person acting in its own name but on behalf of the Company may have acquired or previously held, does not result in the Company's net equity falling below the share capital amount plus any restricted reserves foreseen by the regulations or the By-laws.

Furthermore, to authorize the subsidiaries so that, notwithstanding the relevant authorisation of their General Meeting of Shareholders, pursuant to said Article 146, they may at all times acquire shares in COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A., provided that the face value of the acquired shares, in addition to those already held by the Company

and/or its subsidiaries, does not exceed 10% of the share capital of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.

Said acquisitions may be carried out through a purchase, swap, donation, allocation or non-recourse debt and, in general, under any other form of acquisition for consideration. In any case, the shares to be purchased will be circulating shares that are fully paid up.

The Board of Directors of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. or of its subsidiaries may agree to purchase the Company's shares in one or more transactions, for a maximum price that does not exceed 20% of their listed price, and for a minimum price that is not less than the face value of 0.20 Euros per share.

This authorization is granted for a five-year term, calculated as of the date of this General Meeting.

To expressly allow, for the purposes of Article 146.1.a), last paragraph, of the Act on Capital Companies ("Ley de Sociedades de Capital"), that any share acquired by COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. or its subsidiaries, further to this authorization, be used or attached, in whole or in part, for its transfer, amortization or delivery to directors of the Company, and managers and other employees of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. and its Subsidiaries Companies, or in accordance with and in implementation of Long-Term Incentive Plans consisting of the delivery of Company shares or of options on Company shares."

A.11 Estimated floating capital:

	%
Estimated floating capital	42.97

A.12 Indicate whether there are any restrictions (articles of incorporation, legislative or of any other nature) placed on the transfer of shares and/or any restrictions on voting rights. In particular, indicate the existence of any type of restriction that may inhibit a takeover of the company through acquisition of its shares on the market, as well as such regimes for prior authorisation or notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

Yes No

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

Yes No

A.14 Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes No

B GENERAL SHAREHOLDERS' MEETING

B.1 Indicate whether there are any differences between the minimum quorum regime established by the Spanish Corporate Enterprises Act for General Shareholders' Meetings and the quorum set by the company, and if so give details.

Yes No

B.2 Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided in the Spanish Corporate Enterprises Act and, if so, give details:

Yes No

B.3 Indicate the rules for amending the company's articles of incorporation. In particular, indicate the majorities required for amendment of the articles of incorporation and any provisions in place to protect shareholders' rights in the event of amendments to the articles of incorporation.

The rules for amending the Company's Articles of Association are those provided in Articles 285 to 294 of the Act on Capital Companies (Royal Legislative Decree of July 2nd, 2010).

B.4 Give details of attendance at General Shareholders' Meetings held during the reporting year and the two previous years:

Date of general meeting	Attendance data				Total
	% physically present	% present by proxy	% distance voting		
			Electronic voting	Other	
24/03/2020	0.06	30.90	0.00	50.68	81.64
Of which floating capital:	0.06	30.90	0.00	0.67	31.63
04/02/2021	0.06	30.44	0,00	50,87	81.37
Of which floating capital:	0.06	30.44	0,00	0.86	31.36
03/02/2022	0.13	25.99	0.00	50.92	77.04
Of which floating capital:	0.13	25.99	0.00	0.91	27.03

B.5 Indicate whether any point on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason.

Yes No

B.6 Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes No

B.7 Indicate whether it has been established that certain decisions, other than those established by law, entailing an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions must be submitted for approval to the General Shareholders' Meeting.

Yes

No

B.8 Indicate the address and manner of access on the company's website to information on corporate governance and other information regarding General Shareholders' Meetings that must be made available to shareholders through the company website.

The address of the company's website is www.logista.com. The most relevant information on the Company's corporate governance and other information on the General Meetings is available in the section "Shareholders and Investors"/ "Corporate Governance"/ "Annual Corporate Governance Reports", and through the same section, "General Meeting 2022" or "Previous General Meetings".

C STRUCTURE OF THE COMPANY'S ADMINISTRATION

C.1 Board of Directors

C.1.1 Maximum and minimum number of directors established in the articles of incorporation and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	10
Number of directors set by the general meeting	12

C.1.2 Complete the following table on Board members:

Name of Director	Natural Person representative	Director Category	Position on the Board	Date first appointed to Board	Last re-election date	Method of selection to Board
Mr. Gregorio Marañón	---	Independent	Chairman	13/05/2014	24/03/2020	General Shareholders' meeting
Mr. Íñigo Meirás	---	Executive	CEO	19/12/2019	24/03/2020	General Shareholders' meeting
Mrs. María Echenique	---	Executive	Secretary Director	24/03/2020	24/03/2020	General Shareholders' meeting
Ms. Cristina Garmendia	---	Independent	Director	04/06/2014	03/02/2022	General Shareholders' meeting
Mr. Luis Isasi		Independent	Director	29/9/2020	04/02/2021	General Shareholders' meeting
Mr. Alain Minc	---	Independent	Director	24/04/2018	03/02/2022	General Shareholders' meeting
Ms. Pilar Platero	---	Independent	Director	26/11/2019	24/03/2020	General Shareholders' meeting
Ms. Lillian Blohm	---	Proprietary	Director	06/05/2021	03/02/2022	General Shareholders' meeting
Mr. John Downing	---	Proprietary	Director	13/05/2014	21/03/2018	General Shareholders' meeting
Mr. Richard Hathaway	---	Proprietary	Director	24/03/2015	26/03/2019	General Shareholders' meeting
Mr. Murray McGowan	---	Proprietary	Director	22/07/2021	03/02/2022	General Shareholders' meeting
Ms. Jennifer Ramey		Proprietary	Director	06/04/2022	06/04/2022	Co-option

Total number of directors	12
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Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
Marie Ann D'Wit	Proprietary	24/03/2020	21/03/2022	----	YES

Reason for cessation when this occurs before the end of the term of office and other observations; information on whether the director has sent a letter to the remaining members of the board and, in the case of cessation of non-executive directors, explanation or opinion of the director dismissed by the general meeting

Ms D'Wit resigned as she ceased to provide her services to Imperial Brands Plc.

C.1.3 Complete the following tables on the members of the Board and their categories:

EXECUTIVE DIRECTORS

NAME OR COMPANY NAME OF DIRECTOR:

- MR. ÍÑIGO MEIRÁS

POST IN ORGANISATIONAL CHART OF THE COMPANY:

- CHIEF EXECUTIVE OFFICER

PROFILE:

Mr. Íñigo Meirás was appointed CEO of Compañía de Distribución Integral Logista Holdings in December 2029, and his appointment was ratified by the General Shareholders' Meeting of 24/03/2020.

He started his professional career in Ferrovial in 1992, and after holding different positions, in 2009, he was appointed CEO of the group, position he held until September 2019. Prior to joining Ferrovial, he worked at Holcim Ltd. and Grupo Carrefour.

He has been member of several Board of Directors in Spain, UK, Ireland, Switzerland, Italy, Portugal, Greece, Germany, USA, Canada, Colombia, Chile and Australia: Swissport International (Switzerland), BAA (now HAH, in UK) and Amey Plc (UK), among others.

Mr. Íñigo Meirás holds a Law Degree from the Complutense University of Madrid and obtained an MBA from the Instituto de Empresa (IE).

NAME OR COMPANY NAME OF DIRECTOR:

- **MS. MARIA ECHENIQUE**

POST IN ORGANISATIONAL CHART OF THE COMPANY:

- **SECRETARY DIRECTOR**

PROFILE:

Ms. María Echenique was appointed Secretary of the Board of Compañía de Distribución Integral Logista Holdings in December 2019 and executive Director by the General Shareholders' Meeting of 24/03/2020.

From 2010 she held different positions in Naturgy Energy Group, S.A.'s Legal Services where, she also was appointed Deputy Secretary of the Board of Directors. Before, Ms. Echenique performed different duties in the Spanish Public Administration, such as technical advisor in the Economy Ministry and advisor in the Science & Technology Ministry.

She currently is the General Counsel of the Company and also performs functions of Head of the Company's legal services.

Ms. María Echenique holds a Law Degree from the Complutense University of Madrid, and a Diploma in English Law by the University of Kent at Canterbury; she is also a civil servant (Cuerpo Superior de Administradores Civiles del Estado), on leave.

Total number of executive directors	2
Percentage of Board	16.67%

PROPRIETARY DIRECTORS

NAME OF DIRECTOR:

- **MS. LILLIAN BLOHM**

NAME OR COMPANY NAME OF THE SIGNIFICANT SHAREHOLDER REPRESENTED OR THAT HAS PROPOSED THEIR APPOINTMENT:

- **IMPERIAL BRANDS PLC**

PROFILE:

Ms. Lillian Blohm was appointed proprietary Director of Compañía de Distribución Integral Logista Holdings, on 06/05/2021, and her appointment was ratified by the General Shareholders' Meeting of 03/02/2022.

Ms. Blohm joined the Imperial Brands in their Group Legal Team in December 2006. Prior to joining Imperial Brands, she trained with Burges Salmon LLP where she qualified as a commercial litigation lawyer. Ms Blohm has held various roles at Imperial Brands and joined Global Supply Chain in 2012. She is currently the Director of Strategy for Global Supply Chain.

Ms. Blohm graduated with honours in Law & Sociology from Exeter University and attended Nottingham Law School for her LPC.

NAME OF DIRECTOR:

- **MR. JOHN DOWNING**

NAME OR COMPANY NAME OF THE SIGNIFICANT SHAREHOLDER REPRESENTED OR THAT HAS PROPOSED THEIR APPOINTMENT:

- **IMPERIAL BRANDS PLC**

PROFILE:

Mr. John Downing was appointed proprietary Director of Compañía de Distribución Integral Logista Holdings, on 13/05/2014, and was re-elected in his position by the General Shareholders' Meeting of 21/03/2018.

Mr. John Downing joined the Imperial Brands (former Imperial Tobacco) legal department in 2005 and currently serves as Group Company Secretary of Imperial Brands PLC.

Prior to joining Imperial, he worked in the corporate department of Linklaters in both London and SE Asia (from 1998 to 2005).

Mr. Downing received a Bachelor of Arts (Honors) in History from the University of Cambridge in 1993, after which he completed a conversion course in Law, passing with Distinction in 1995.

NAME OF DIRECTOR:

- **MR. RICHARD HATHAWAY**

NAME OR COMPANY NAME OF THE SIGNIFICANT SHAREHOLDER REPRESENTED OR THAT HAS PROPOSED THEIR APPOINTMENT:

- **IMPERIAL BRANDS PLC**

PROFILE:

Mr. Richard Hathaway was appointed proprietary Director of Compañía de Distribución Integral Logista Holdings on 24/03/2015, and was re-elected in his position by the General Shareholders' Meeting of 26/03/2019.

Prior to joining Imperial Brands, he developed part of his professional career in KPMG, where he held various different positions in the UK and Europe and was a partner, initially in the audit practice (2000-2007) and then in the Transaction Services division (2007-2012). He also worked for ADS Anker.

Mr. Richard Hathaway currently serves as Corporate Development Director at Imperial Brands, and was previously Director of Finance Strategic Initiatives and responsible for leading the Risk Management function.

Mr. Hathaway received a Bachelor of Mathematics (Honors) (1988) from Oxford University in 1988, and is Fellow of the Institute of Chartered Accountants in England & Wales.

NAME OF DIRECTOR:

- **MR. MURRAY MCGOWAN**

NAME OR COMPANY NAME OF THE SIGNIFICANT SHAREHOLDER REPRESENTED OR THAT HAS PROPOSED THEIR APPOINTMENT:

- **IMPERIAL BRANDS PLC**

PROFILE:

Mr. Murray McGowan was appointed proprietary Director of Compañía de Distribución Integral Logista Holdings, representing Imperial Brands PLC, on 22/07/2021, and his appointment was ratified by the General Shareholders' Meeting of February 3rd, 2022.

He has a strong background in strategy and operations from his time in McKinsey, where he started his professional career, working with a range of leading global FMCG businesses, and more recently from various strategic and operational leadership roles for the likes of Costa Coffee (Whitbread), The Restaurant Group, Yum! Brands and Cadbury.

He joined Imperial Brands Plc.in 2020, as Group Strategy and Transformation Director, currently serving as Chief Strategy and Development Officer. He is also part of the Imperial Executive Committee. He is responsible for leading all elements of group strategy and operational transformation, and the definition of the new five year strategic plan for the Group.

Mr. McGowan holds a first class honours degree in Actuarial Mathematics and Statistics from Heriot-Watt university, Edinburgh.

NAME OF DIRECTOR:

- **MS. JENNIFER RAMSEY**

NAME OR COMPANY NAME OF THE SIGNIFICANT SHAREHOLDER REPRESENTED OR THAT HAS PROPOSED THEIR APPOINTMENT:

- **IMPERIAL BRANDS PLC**

PROFILE:

Ms. Jennifer Ramsey was appointed, by co-option, proprietary Director of Logista Holdings, on April 6th, 2022.

Mrs. Ramsey joined Imperial Brands in April 2021 and serves as Senior Investor Relations Manager of Imperial Brands Plc.

Prior to joining Imperial, she worked as Head of Investor Relations at Rolls-Royce Plc and Senior Plc. She has twenty years' experience as a fund manager directing investments for both institutional and private clients in both the UK and the US.

Ms. Ramsey studied Civil Engineering at Imperial College, London and has an MSC in Soil Mechanics and Engineering Seismology from the same institution. She is also CFA Charterholder, holds an MBA from London Business School and is a Chartered Civil Engineer.

Total number of proprietary directors	5
Percentage of the Board	41.67%

EXTERNAL INDEPENDENT DIRECTORS

NAME OF DIRECTOR:

- **MR. GREGORIO MARAÑÓN**

PROFILE:

Mr. Gregorio Marañón is the Chairman of the Board of Directors of the Compañía de Distribución Integral Logista Holdings, position he holds since his first appointment as Director of the Company.

He also serves as Chairman of Universal Music, Air City Madrid Sur and El Español; he is member of the Board of Directors of Patrimonio Nacional and Chairman of the Board of the Teatro Real opera house.

He has a wide experience in the financial, business, academic, legal and cultural management areas. He was general manager of Banco Urquijo, Chairman of Banif, Chairman and founder of Gescapital, and Director in BBVA, Argentaria and Zurich Seguros. He also was Chairman of Roche Farma, and member of the Advisory Board of Vodafone, among other positions.

In the cultural sphere, he is full member of the Royal Academy of Fine Arts of San Fernando and of other cultural institutions.

He was awarded the Grand Cross of Isabel la Católica and was appointed Commandeur de la Légion d'Honneur Française and Commendatore della Ordine de la Stella della Republica Italiana. He also has been awarded with other recognitions such as the Grand Cross of Alfonso X el Sabio, the Gold Medal for Merit in Fine Arts, the Gold Medal of Madrid region, the Gold Medal of Castilla-La Mancha Region, and the Gold Medal of Madrid City Council.

Mr. Gregorio Marañón holds a Law Degree from Complutense University of Madrid, and completed an Advanced Management Program at the IESE Business School. He is Doctorate Honoris Causa by the University of Castilla-La Mancha.

NAME OF DIRECTOR:

- **MS. CRISTINA GARMENDIA**

PROFILE:

Ms. Cristina Garmendia was appointed independent Director of Compañía de Distribución Integral Logista Holdings on 04/06/2014, and was re-elected in her position by the General Shareholders' Meeting of 03/02/2022.

She was Minister of Science and Innovation of the Spanish Government during the IX Legislature. After leaving the Government, she restarted her responsibilities in the venture capital firm of which she is a partner and founder, Ysios Capital, and founded the consulting firm Science & Innovation Link Office (SILO) and the Spanish-American company Satlantis Microsats.

She is president of the COTEC Foundation and sits on several advisory boards, university boards and boards of directors, including Caixabank, Mediaset and Ysios Capital.

She is an advisor to the European External Action Service (EEAS) and member of its Advisory Board.

She also was an advisor to the European Commission as a member of the High Level Group (HLG), which formulated the recommendations for the design of the IX Framework Program (2021-2027) of the European Union and is an advisor to the European Space Agency (ESA) to formulate recommendations on the future of space projects.

Her work and entrepreneurial vision has been recognized on several occasions with awards for research and business innovation.

Ms. Cristina Garmendia obtained her PhD in Biological Sciences, specializing in Genetics. She completed her PhD in Molecular Biology in the laboratory of Dr Margarita Salas, Severo Ochoa National Center for Molecular Biology. She completed her academic training with an MBA from the IESE Business School of the University of Navarra.

NAME OF DIRECTOR:

- **MR. LUIS ISASI**

PROFILE:

Mr. Luis Isasi was appointed independent Director of Compañía de Distribución Integral Logista Holdings, on 29/09/2020, and his appointment was ratified by the General Shareholders' Meeting of 04/02/2021.

He began his career in Abengoa in 1976, and after occupying different executive positions in JP Morgan in New York and in First National Bank of Chicago in London, he joined Morgan Stanley in London as Vice President, later Managing Director in the Investment Banking Division for Europe and, since 1997, Country Head and Chairman of Morgan Stanley in Spain. He left this position in March 2020, remaining as Senior Advisor. He has also been a Board member of Madrileña Red de Gas, S.A., of Sociedad Rectora Bolsa de Madrid, S.A., and of Grifols S.A., where he also was Chairman of its Audit Committee and member of its Appointments and Remuneration Committee.

He is today the non-executive Chairman of the Board of Santander España and external Board Member of Banco Santander, S.A., as well as Member of its Executive Committee, Appointments and Remuneration Committee, and Risk Committee.

Mr. Isasi holds a degree in Business Administration from the University of Sevilla and has an MBA from Columbia University in 1982.

NAME OF DIRECTOR:

- **MR. ALAIN MINC**

PROFILE:

Mr. Alain Minc was appointed independent Director of Compañía de Distribución Integral Logista Holdings, on 24/04/2018, and was re-elected in his position by the General Shareholders' Meeting of February 3rd, 2022.

He started his career as Tax Inspector, and joined Compagnie de Saint-Gobain in 1979, as Chief Financial Officer.

In 1986, Mr. Minc became Vice-Chairman of CIR International (Compagnie Industriale Riunite International) and General Manager of Cerus (Compagnies Européennes Réunies) which were the non-Italian affiliates of Benedetti Group.

In 1991, he founded his own consultancy company, AM Conseil.

He has been Board member of numerous companies and the Chairman of the Supervisory Board of Le Monde, the leading French newspaper (19/12/94 to 11/02/2008). Today he is Chairman of AM Conseil and Sanef. He is Commandeur de la Légion d'Honneur (France); Commander of the British Empire; Grand Cross of the Order of Civil Merit (Spain).

Mr. Alain Minc wrote more than 30 books on different subjects (economics, history, social and politics, among others).

Mr. Alain Minc is a graduate of the Ecole des Mines de Paris and of ENA (National School of Administration).

NAME OF DIRECTOR:

- **MS. PILAR PLATERO**

PROFILE:

Ms. Pilar Platero was appointed independent Director of Compañía de Distribución Integral Logista Holdings, on 26/11/2019, and her appointment was ratified by the General Shareholders' Meeting of 24/03/2020.

She held various management positions at the Spanish Government General Comptroller Office, as State Auditor and Delegated Comptroller at the national museums *Museo del Prado* and *Centro de Arte Reina Sofía*, as well as in the cabinets of the Minister of Finance and the State Secretary for Budgets and Expenditures. She has been Undersecretary of the Ministry of Finance and Public Administrations, and President of the Spanish state-owned industrial holding company (SEPI).

In the private sector, she is today an independent Director of the Amper, S.A.'s Board of Directors, Chairwoman of its Audit Committee and member of the Sustainability Committee; she was also partner of Equipo Económico and also an advisor for the Inter-American Development Bank (IDB).

Ms. Pilar Platero holds a Law Degree from the Complutense University of Madrid. State Comptroller and Auditor, Tax Inspector and Audit and Accounting Technician of the Ministry of Finance. Member of the Accounts Auditors Official Register.

Number of independent directors	5
Percentage of the Board	41.67%

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

NO

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Not applicable

OTHER EXTERNAL DIRECTORS

Other external directors will be identified and the reasons why they cannot be considered proprietary or independent and links, either with the company, its directors, or its shareholders, will be detailed:

Not applicable

Indicate the variations that, if any, have occurred during the period in the category of each director:

Not applicable

C.1.4 Complete the following table with information relating to the number of female directors at the close of the past four years, as well as the category of each:

	Number of female directors				% of total directors for each category			
	Year 2022	Year 2021	Year 2020	Year 2019	Year 2022	Year 2021	Year 2020	Year 2019
Executive	1	1	1	0	50	50	50	0,00
Proprietary	2	2	2	0	40	40	40	0,00
Independent	2	2	2	1	40	40	40	10,00
Other External	0	0	0	0	0	0	0	0,00
Total:	5	5	5	1	41.67	41.67	41.67	10.00

C.1.5 Indicate whether the company has diversity policies in relation to its Board of Directors on such questions as age, gender, disability, education and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Spanish Auditing Act, will have to report at least the policy that they have implemented in relation to gender diversity.

Yes No Partial policies

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the nomination and remuneration committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why.

Description of policies, objectives, measures and how they have been applied, and results achieved

During the 2020 fiscal year, the Board approved a new set of Rules for the Board of directors. These came into force at the same time as the modifications to the Bylaws which were agreed by the General Meeting of February, 2021. The new Rules paid special attention to diversity of gender. In particular, an Article 7 was included, relating to the composition of the Board. Without prejudice to the shareholders' power to make proposals, paragraph 1 b) of that Article expressly indicates the Board's obligation to ensure that at least 40% of the members of the Board of Directors are female. In line with the objective recommended by the CNMV for 2022, this aspect has been especially considered in the directors renewal occurred during the year.

The Company's Board of Directors had already approved (on 19th December, 2017) the Policy on the Selection of Board Members, which was based on, among other principles, "diversity in gender, experience and knowledge".

The said Policy establishes that the *"Board of Directors will ensure that the procedures for the selection of its members will favour diversity in their gender, experience and knowledge, and will not be affected by any latent bias which could entail discrimination, and, in particular, that they will facilitate the selection of female Board Members"*.

It should also be pointed out that the Board of Directors, in its meeting in September, 2021, assessed and updated the skill matrix for the Board, that is in line with the best practices in corporate governance. This skill matrix has been considered in the renewals of directors that have occurred during the year, which has resulted in a reinforcement of the technical profiles and relation with investors.

C.1.6 Describe the measures, if any, agreed upon by the nomination committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile among potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Explanation of the measures

Please see section C.1.5 above, concerning female directors.

The Appointments and Remuneration Committee specifically supervises the Diversity and Inclusion Plans of the Company, ensuring the fulfilment of the inclusion agreed objectives. These Diversity Plans are aimed, among other topics, to promote the female presence in all the Company levels, in particular in the Company's top management positions.

The Company monitors gender diversity issues at all professional levels and implements measures aimed at minimizing the eventual gender gap. The efforts made in this area are reflected in the achievement of several international and national recognitions. One of the main ones, without a doubt, is that of the Financial Times, which has highlighted Logista as one of the most inclusive companies in Europe, including the Company in the Diversity Leader ranking for the second consecutive year. Our inclusion programs have also been distinguished with the Diversity Leading Company seal, by the specialized publication "Teams and Talent". Finally, it should be noted that Logista is part of the Ibex Gender Equality Index.

With regard to female top managers, it should be noted the presence of two women at the Management Committee of the Company.

If in spite of any measures adopted there are few or no female directors or senior managers, explain the reasons for this:

Not applicable

C.1.7 Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

The Committee always verifies that there has been compliance with the 40% female presence requires by Article 7.1. b) of the Board's Rule as well as with the requirements of the Policy on

the Selection of Board Members in this regard. All of this entirely within the context of the Company's current shareholding structure, and while observing the shareholders' right to proportional representation. In particular, the Committee has ensured that in these procedures there is an appropriate balance of criteria such as skills, experience and variety of candidates considering the skills matrix of the Board.

Thus, since the firm commitment was made to diversity of gender, the Committee has ensured that the percentage of female Board Members has been maintained. In this way, by means of the renewals occurring during this fiscal year, the 42% female component has been maintained and this complies with Article 7.1 b) of the Board's Rules (at least 40%) and with the Good Governance Recommendations of the CNMV.

On the other hand, in the Director renewal process occurred during this fiscal year, one of the key skills of the Board matrix has been remarked, reinforcing direct experience in the investor relations and sustainability areas.

C.1.8 If applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:

Not applicable

Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests were not granted:

Yes No

C.1.9 Indicate the powers, if any, delegated by the Board of Directors, including those related to the possibility of issuing or repurchasing shares, to directors or Board committees:

Name or company name of director or committee	Brief description
Mr. Íñigo Meirás	He has been delegated all the faculties that can be delegated according to the Law and the Bylaws, excluding the faculties that, according to Article 13.4 of the Bylaws of the Company, require the approval of the resolution by, at least, the 70% of the members of the Board of Directors. It should be noted, that for efficiency reasons and pursuant the provisions of the Act on Capital Companies ("Ley de Sociedades de Capital"), the Board of Directors has delegated in the Chief Executive Office the approval of minor related parties transactions, subject the relevant reporting system to the Board and to the Audit and Control Committee.

C.1.10 Identify any members of the Board who are also directors, representatives of directors or managers in other companies forming part of the listed company's group:

Name or company name of director	Company name of the group entity	Position	Does the director have executive powers?
Mr. John Downing	Altadis Newco Limited	Director	NO
Mr. John Downing	Attendfriend Limited	Director	NO
Mr. John Downing	British Tobacco Company Limited	Director	NO
Mr. John Downing	Hypofill Limited	Director	NO
Mr. John Downing	Imperial Brands Enterprise Finance Limited	Director	NO
Mr. John Downing	Imperial Brands Finance Plc	Company Secretary	NO
Mr. John Downing	Imperial Brands Ventures Finance Limited	Director	NO
Mr. John Downing	Imperial Brands Ventures Holdings (1) Limited	Director	NO
Mr. John Downing	Imperial Brands Ventures Holdings (2) Limited	Director	NO
Mr. John Downing	Imperial Tobacco Altadis Limited	Director	NO
Mr. John Downing	Imperial Tobacco Capital Assets (1)	Director	NO
Mr. John Downing	Imperial Tobacco Capital Assets (2)	Director	NO
Mr. John Downing	Imperial Tobacco Capital Assets (3)	Director	NO
Mr. John Downing	Imperial Tobacco Capital Assets (4)	Director	NO
Mr. John Downing	Imperial Tobacco Group Limited	Director	NO
Mr. John Downing	Imperial Tobacco Holdings (1) Limited	Director	NO

Mr. John Downing	Imperial Tobacco Holdings (2007) Limited	Director	NO
Mr. John Downing	Imperial Tobacco Holdings Limited	Director	NO
Mr. John Downing	Imperial Tobacco Initiatives	Director	NO
Mr. John Downing	Imperial Tobacco Ireland Unlimited Company	Director	NO
Mr. John Downing	Imperial Tobacco Lacroix Limited	Director	NO
Mr. John Downing	Imperial Tobacco Limited	Director	NO
Mr. John Downing	Imperial Tobacco Overseas (Polska) Limited	Director	NO
Mr. John Downing	Imperial Tobacco Overseas Holdings (1) Limited	Director	NO
Mr. John Downing	Imperial Tobacco Overseas Holdings (2) Limited	Director	NO
Mr. John Downing	Imperial Tobacco Overseas Holdings (3) Limited	Director	NO
Mr. John Downing	Imperial Tobacco Overseas Holdings (4) Limited	Director	NO
Mr. John Downing	Imperial Tobacco Overseas Holdings Limited	Director	NO
Mr. John Downing	Imperial Tobacco Overseas Limited	Director	NO
Mr. John Downing	Imperial Tobacco US Holdings B.V.	Managing Director	YES
Mr. John Downing	Imperial Tobacco Ventures Limited	Director	NO
Mr. John Downing	ITG Brands Limited	Director	NO
Mr. John Downing	Joseph & Henry Wilson Limited	Director	NO
Mr. John Downing	Nerudia Compliance Limited	Director	NO
Mr. John Downing	Nerudia Consulting Limited	Director	NO
Mr. John Downing	Nerudia Limited	Director	NO

Mr. John Downing	Nerudia Trading Limited	Director	NO
Mr. John Downing	Newglade International Unlimited Company	Director	NO
Mr. John Downing	Park Lane Tobacco Company Limited	Director	NO
Mr. John Downing	Rizla UK Limited	Director	NO
Mr. John Downing	Sensus Investments Limited	Director	NO
Mr. John Downing	Sinclair Collis Limited	Company Secretary	NO
Ms. María Echenique	Compañía de Distribución Integral Logista, S.A.U.	General Secretary	YES
Mr. Richard Hathaway	Global Horizon Ventures Ltd	Director	NO
Mr. Richard Hathaway	Reemtsma Kyrgyzstan OJSC	Director	NO
Mr. Richard Hathaway	1213509 BC Limited	Director	NO
Mr. Richard Hathaway	Imperial Brands Ventures Limited	Director	NO
Mr. Richard Hathaway	Imperial Brands Ventures Holdings Limited	Director	NO
Mr. Richard Hathaway	Oxford Cannabinoid Technologies Holdings plc	Non-executive Director and member of the Audit and Control Committee	NO
Mr. Murray McGowan	Auxly Group	Director	NO
Mr. Murray McGowan	Imperial Brands Ventures Limited	Director	NO
Mr. Murray McGowan	Imperial Brands Ventures Holdings Limited	Director	NO
Mr. Murray McGowan	Global Horizons Ventures Limited	Director	NO
Mr. Iñigo Meirás	Compañía de Distribución Integral Logista, S.A.U.	Chairman of the Board of Directors and CEO	YES
Mr. Iñigo Meirás	Logista Italia, S.p.A.	Chairman of the Board of Directors	NO
Mr. Iñigo Meirás	Logista Payments, S.L.U.	Chairman of the Board of Directors	NO
Mr. Iñigo Meirás	Terzia, S.p.A.	Chairman of the Board of Directors	YES

The positions held by directors Ms. Blohm and Ms. Ramsey and Messrs. Downing, Hathaway and McGowan as executive managers in Imperial Group have been reported in section A.6.

C.1.11 Detail the positions of director, administrator or manager, or representative thereof, held by the directors or representatives of directors who are members of the Company's Board in other entities, whether or not they are listed companies:

Identification of the Director or representative	Name of the company, whether listed or not	Position
Mr. Gregorio Marañón	Universal Music Spain	Chairman of the Board of Directors
	Air City Madrid Sur	Chairman of the Board of Directors
	El Español	Chairman of the Board of Directors
Mr. Íñigo Meirás	Rioja Alta, S.A.	Non-executive Director
	Fremman Limited	Advisory Board Member
Ms. Cristina Garmendia	Mediaset España Comunicación, S.A.	Independent Director and Member of the Appointments and Remuneration Committee and of the Audit and Compliance Committee
	Caixabank, S.A.	Independent Director and Member of the Innovation, Technology and Digital Transformation Committee. Member of the Audit and Control and of the Remuneration Committees.
	Jaizkibel 2007, S.L.	Sole Administrator
	Ysios Capital Partners SGEIC, S.A.	Director - Partner
Mr. Luis Isasi	Santander España	Chairman
	Banco Santander SA	External Director
	Morgan Stanley España	Senior Advisor
Mr. Alain Minc	AM Conseil	Chairman
	SANEF	Chairman
	Financière LOV	Administrator and member of the Supervisory Board
	Financière LOV Entertainment	Administrator and Member of the Audit Committee
Ms. Pilar Platero	AMPER, S.A.	Independent Director, Chairwoman of the Audit and Control Committee, and member of the Sustainability Committee.

Remarks
<ul style="list-style-type: none"> ■ <u>Mr. Gregorio Marañón also holds the following positions:</u> <ul style="list-style-type: none"> • Chairman of the Teatro Real opera house and of its executive Committee • Trustee of the National Library • Trustee of the Army Museum • Member of the Board of Directors of Patrimonio Nacional
<ul style="list-style-type: none"> ■ <u>Ms. Cristina Garmendia also holds the following institutional positions:</u> <ul style="list-style-type: none"> • Fundación Cotec para la Innovación: Chairwoman of the Board of Trustees • Fundación Pelayo: Member of the Board of Trustees* • Fundación SEPI: Member of the Board of Trustees* • Fundación España Constitucional: Member of the Board of Trustees * • Fundación Hermes: Member of the Advisory Board* • Sevilla University: Member of the Advisory Board Alumni (* Fonctions performed as Chairwoman of the <i>Fundación Cotec para la Innovación</i>)
<ul style="list-style-type: none"> ■ <u>Ms. Lillian Blohm also holds the following positions:</u> <ul style="list-style-type: none"> • Reemtsma Cigaretten Fabriken GmbH: Member of Supervisory Board

Remarks
<p>The positions described above for which the directors receive remuneration are specified below:</p> <p><u>Mr. Gregorio Marañón:</u></p> <ul style="list-style-type: none"> ■ Universal Music Madrid ■ Air City Madrid Sur ■ Patrimonio Nacional <p><u>Mr. Iñigo Meirás:</u></p> <ul style="list-style-type: none"> ■ Rioja Alta, S.A. ■ Fremman Limited <p><u>Ms. Cristina Garmendia:</u></p> <ul style="list-style-type: none"> ■ Mediaset España Comunicación, S.A. ■ Caixabank, S.A. ■ Jaizkibel 2007, S.L. ■ Ysios Capital Partners SGEIC, S.A.

Mr. Luis Isasi

- Santander España
- Banco Santander SA
- Morgan Stanley España

Mr. Alain Minc

- AM Conseil
- SANEF
- Financière LOV
- Financière LOV Entertainment

Ms. Pilar Platero

- AMPER, S.A.

It is also noted that directors Ms. Blohm and Ms. Ramsey and Messrs. Downing, Hathaway and McGowan are remunerated for their professional activities in Imperial Brands Plc, as referred to in paragraph A6.

Indicate, if applicable, any other remunerated activities of the directors or representatives of the directors, whatever their nature, other than those indicated in the table above.

Identification of the director or representative	Other remunerated activities
Mr. Gregorio Marañón	Full member of the Real Academia de Bellas Artes de San Fernando
Ms. Cristina Garmendia	Member of the Advisory Board of S2 Grupo de Innovación en Procesos Organizativos, S.L.U.
	Member of the Advisory Board of Integrated Services Solution, S.L.
	Member of the Advisory Board of Universidad Europea de Madrid, S.A.
	Member of the Advisory Board of Mckinsey & Company
	Member of the Security Committee of Airbus Defence & Space S.A.U.
	Member of the Advisory Board of Compagnie Plastic Omnium SE

C.1.12 Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes No

Explanation of the rules and identification of the document where this is regulated
Article 21.3 of the Rules of the Board of Directors stipulates that members of Logista's Board of Directors may only form part, at the same time and within the restrictions established by law, of a maximum of four boards of directors of listed companies other than Logista. This means a reduction in the number of boards on which Logista's Board Members may sit, compared to those previously established.

C.1.13 Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	4,966
Amount of funds accumulated by directors currently in office for long-term savings with vested economic rights (thousands of euros)	806
Amount of funds accumulated by directors currently in office for long-term savings with non-consolidated economic rights (thousands of euros)	137
Amount of funds accumulated by former directors through long-term saving schemes (thousands of euros)	0

Remarks
The figure shown in the concept " <i>Amount of funds accumulated by directors currently in office for long-term savings with non-consolidated economic rights</i> " corresponds to the contributions to the long-term savings insurance "Plan 60" made in favor of the Secretary Director.

C.1.14 Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

Name	Position
Mr. Pascal Ageron	General Manager - France
Mrs. María Pilar Colás Castellote	General Manager – Italy
Mr. Carlos García-Mendoza Klaiber	Strategy Corporate Director
Mr. Juan José Guajardo-Fajardo Villada	Human Resources Corporate Director
Mr. Pedro Losada Hernández	Chief Financial Officer
Mr. Antonio Mansilla Laguía	Resources Corporate Director
Mr. Francisco Pastrana Pérez	General Manager - Iberia and Poland
Ms. Laura Templado Martín	Internal Audit Corporate Director

Number of women in senior management	2
Percentage of total senior management	25

Total senior management remuneration (thousand euros)	6,304
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Remarks

- The figure for the total senior management remuneration includes the remuneration of the previous Chief Financial Officer, until his departure from the company.
- The information provided in this section about the number and percentage of female members of senior management only takes account of the positions in the General Management in Italy and in the Corporate Directorate of Internal Auditing.

However, it should be noted that Board Member Mrs. Echenique, in her capacity of General Secretary and Corporate Director of Legal Services, also forms part of the Group's Management Committee. When we include this position, the information about the number of women and their percentage of the total number of senior managers is as follows:

- Number of women: 3
- Percentage: 33.33%

C.1.15 Indicate whether the Board regulations were amended during the year:

Yes No

C.1.16 Specify the procedures for selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

Directors' Selection

Logista has a Policy on Selection of Board Members, approved by the Board of Directors of December 19, 2017, based on the principles of non-discrimination and equal treatment, gender diversity, experience, knowledge, transparency and compliance with the good governance recommendations. In this same vein, the Appointments and Remuneration Committee of June 2020 approved an Action Plan in order to implement the Recommendations of the Technical Guide of the CNMV in relation to Appointments and Remuneration Committees, and subsequently, the Board of Directors of September 2020 approved a skill matrix for the Board, to be considered in the future selection processes. During the current financial year, the Board reassessed the skill matrix and updated it with the new appointed Board members.

The Board of Directors and the Appointments and Remuneration Committee, within the scope of their competencies, shall endeavour to ensure that the candidates fulfil the principles established in the Policy on Selection of Board Members, and shall be particularly rigorous in choosing the persons to cover the posts of independent directors.

The directors of the Company may become part at the same time, and with the limitation provided by Law, of a maximum of four boards of directors of listed companies other than the Company (Article 21 of the Board of Directors' Regulations).

Directors' Appointments

The appointment, ratification, re-election and removal of directors correspond to the General Meeting, without prejudice to the authority of the Board of Directors to make appointments by co-option, according to Law.

Proposal of appointment or re-election of directors corresponds to the Appointments and Remuneration Committee, in the case of independent Directors, and to the Board of directors itself, in other cases.

The proposal of appointment, re-election or removal of any non-independent Director must be preceded by a report of the Appointments and Remuneration Committee, as well as of a justifying report of the Board of Directors, which evaluates the competence, experience and merits of the proposed candidate.

Re-election of Directors

The proposals for re-election of directors that the Board of Directors decides to present to the General Meeting of Shareholders shall be subject to a formal procedure, which must necessarily include a report issued by the Appointments and Remuneration Committee in which the quality of work and dedication to the post of the proposed directors during the preceding term of office is evaluated.

Term of office

Directors shall occupy their post during the period established in the By-Laws, which shall in no case exceed four years, and may be re-elected.

Removal of Directors

In accordance with the provisions of Article 25 of the Board of Directors' Regulations, directors shall leave their position when the term for which they were appointed ends and when so decided at the General Shareholders' Meeting, or when the Board of Directors requests it, in the use of the attributes accorded both to the General Shareholders' Meeting and to the Board by Law or by the By-Laws, in a series of assessed cases, among which the new Regulation specifically includes the cases in which Logista's credit and reputation may be put at risk, in the terms recommended in the latest draft of the Code of Good Governance of listed companies. In all this cases, directors must place their position at the disposal of the Board of Directors and if the Board deems appropriate, formally resign as a director.

C.1.17 Explain to what extent the annual evaluation of the Board has given rise to significant changes in its internal organisation and in the procedures applicable to its activities:

Description of amendments

During the year 2021-2022, the Board has been working to implement the action plan that was approved the previous year as a result of the self-assessment carried out in that same year. The main actions implemented are as follows:

1. Risks are reviewed quarterly by the Audit and Control Committee, and twice a year by the Board of Directors.
2. Business reviews by top managers include their strategic priorities and their relation with the Company's general strategy.
3. The CEO informs the Board of Directors of the business, financial and stock market performance of the Company, in those months in which no meeting of the Board is held.
4. The Appointments and Remuneration Committee annually reviews the Company's top management succession plan, and issues related to inclusion and culture.

Describe the evaluation process and the areas evaluated by the Board of Directors with or without the help of an external advisor, regarding the functioning and composition of the Board and its committees and any other area or aspect that has been evaluated.

Description of the evaluation process and areas evaluated

In this financial year, in accordance with the recommendations of Good Governance of CNMV, the Board of Directors has had the external advice of Deloitte Legal, for the self-assessment process.

The self-assessment in relation to fiscal year 2021-2022, was referred to the following:

1. The Board of Directors of the Company, in the followings aspects:
 - General questions
 - Meetings of the Board
 - Functions and Responsibilities
 - Composition
2. The Audit and Control Committee, in the following aspects:
 - Composition
 - General questions
 - Meetings
 - Functions and Responsibilities

3. The Appointments and Remuneration Committee, in the following aspects:

- Composition
- General questions
- Meetings
- Functions and Responsibilities

4.- The Chairman of the Board (Performance)

5.- The CEO (Performance)

6.- The Secretary of the Board (Performance)

C.1.18 Provide details, for years in which the evaluation was carried out with the help of an external advisor, of the business relationships that the external advisor or company in its group maintains with the company or any company in its group.

- Computer security advisory services for Compañía de Distribución Integral Logista, SAU, provided by Deloitte Advisory, SL
- Audit services for Société Allumetière Française, provided by Deloitte & Associés
- Due Diligence services for Dronas 202, SLU provided by Deloitte Financial Advisory B.V.
- Tax advisory services for Compañía de Distribución Integral Logista, SAU, provided by Deloitte Asesores Tributarios, SLU
- Consulting services for Compañía de Distribución Integral Logista, SAU, provided by Deloitte Consulting, SLU
- Tax advisory services for Logista Italia, s.r.l provided by STS Deloitte STP SRL SB

C.1.19 Indicate the cases in which directors are obliged to resign.

In accordance with article 25 of the Board Regulations, directors must place their post at the disposal of the Board of Directors and formally resign as a Director, if the Board of Directors considers it appropriate based on the following counts:

- a) When they are removed from the executive posts to which their appointment as directors was associated;
- b) When they are involved in any of the scenarios of incompatibility or prohibition envisaged by the Law;
- c) When directors have performed acts that are contrary to the diligence with which they are obliged to perform their duties, infringing their duties and obligations as directors;
- d) When their presence on the Board could jeopardise the interests of Logista or cause serious damage to Logista's good name. In particular, directors should inform the Board of any criminal charges brought against them and the progress of any subsequent trial.

For this purpose, the director shall immediately inform the Board of any situation affecting him/her which could damage such credit and reputation and, in particular, of any criminal cases in which they appear as prosecuted, as well as, where appropriate, of their procedural vicissitudes. The Board of Directors should open an investigation as soon as possible and, in light of the particular circumstances, decide, following a report of the

Appointments and Remuneration Committee, whether or not to take any measures, such as opening an internal investigation, requesting the resignation of the Director or proposing his/her dismissal

The Board should give a reasoned account of all such determinations in the Annual Corporate Governance Report, unless there are special circumstances to justify it, which must be recorded in the minutes. This is detrimental to the information that the Company is to disseminate, if appropriate, at the time of the adoption of the corresponding measures, when, after analysis by the Board itself, the Board determines that there are situations affecting the director, whether or not relating to his performance in the Company, which damage the Company's credit and reputation.

- e) When, a director representing a significant shareholder notifies Logista, at any time, of the decision of the shareholder not to reappoint him at the end of his term, or when the significant shareholder transfers, all its shareholding in Logista. Additionally, if such shareholders reduce their stakes, thereby losing some of their entitlement to appoint directors, the latter's number should be reduced accordingly.

C.1.20 Are qualified majorities other than those established by law required for any particular kind of decision?

Yes No

If so, describe the differences.

Description of differences

According to the provisions of Article 13 of the Company By-Laws, the Board shall approve resolutions by absolute majority of the directors attending the meeting, either in person or via proxy.

Notwithstanding the above, the adoption of any resolutions related to any of the matters set out below will require the positive vote of at least 70% of the directors, as rounded up in case that the application of that percentage does not result in a whole number of directors, that form part of the Board of Directors and will not be delegated:

- a) Any increase or decrease in Logista's corporate capital or the issuance by Logista of any debt securities or other ordinary securities.
- b) Approval of an annual budget in relation to capital spending, investments and other financial commitments to be made by Logista over the course of the following year (the "Annual CapEx Budget").
- c) Any decision relating to the acquisition of all or part of any third-party business, whether through the purchase (directly or indirectly) of shares, assets or third-party interests (including those derived from a merger or business combination), by Logista or any member of its corporate group.
- d) Any decision relating to the disposal of all or part of any business in favour of a third party, whether through the disposition (directly or indirectly) of shares, assets or other interests (including those deriving from a merger or business combination), by Logista or any member of its corporate group.
- e) Any decision by the Company to establish strategic arrangements, joint ventures or any other arrangements that entail the sharing or distribution of benefits or assets.
- f) Any decision by the Company to incur or agree to incur (directly or indirectly) capital expenditures, investment expenses or any other financing commitment with respect to any transaction that exceeds €1,000,000.00 in the aggregate, unless such capital expenditure,

investment expense or other financing commitment (including the amount of such capital expenditure, investment expense or other financing commitment) is contemplated in the Annual CapEx Budget for such period, which has been approved in accordance with clause (b) of this Article.

- g) Any decision by the Company to amend the terms of its loans or debts originating from loan agreements or the granting of security or to obtain or incur loans or debts originating from new loan agreements.
- h) The creation of any mortgage, pledge, lien, charge, assignment of the foregoing or any other security relating to Logista that may be granted outside the ordinary course of business.
- i) The decision to delegate any power vested in the Board of Directors to a Chief Executive Officer or to delegate any power vested in the Board to any committee thereof.

For purposes of calculating a majority of the directors for purposes of the adoption of the foregoing resolutions, any directors who have a conflict of interest and must thus abstain from voting shall not be included in the denominator by reference to which a majority is calculated.

C.1.21 Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the Board of Directors.

Yes No

C.1.22 Indicate whether the articles of incorporation or Board regulations establish any limit as to the age of directors:

Yes No

C.1.23 Indicate whether the articles of incorporation or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes No

C.1.24 Indicate whether the articles of incorporation or Board regulations establish specific rules for appointing other directors as proxy to vote in Board meetings, if so the procedure for doing so and, in particular, the maximum number of proxies that a director may hold, as well as whether any limit has been established regarding the categories of director to whom votes may be delegated beyond the limits imposed by law. If so, briefly describe these rules.

According to the provisions of article 19.1 of the Board Regulations, directors must attend Board meetings and, when they cannot do so in person, they shall arrange for their representation and vote to be granted in favour of another Board member, including appropriate instructions.

The delegation may be made by letter, fax, telegram, e-mail, or by any other valid means acknowledged in writing.

Non-executive directors may do so only to another non-executive director.

C.1.25 Indicate the number of meetings held by the Board of Directors during the year. Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of board meetings	9
Number of board meetings held without the chairman's presence	0

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Not applicable

Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the audit committee	5
Number of meetings held by the nomination and remuneration committee	8

C.1.26 Indicate the number of meetings held by the Board of Directors during the year with member attendance data:

Number of meetings in which at least 80% of directors were present in person	9
Attendance in person as a % of total votes during the year	95%
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	8
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	95%

C.1.27 Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

Yes

No

Identify, if applicable, the person(s) who certified the individual and consolidated financial statements of the company for issue by the Board:

Name	Position
Pedro Losada Hernández	CFO

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the financial statements it presents to the General Shareholders' Meeting are prepared in accordance with accounting regulations.

In accordance with the provisions of Article 16 of the Board of Directors' Regulations and Article 5.1 of the Regulations of the Audit and Control Committee, the Audit and Control Committee is responsible for supervising and assessing the process of drawing up and the integrity of the financial, reviewing compliance with regulatory requirements, proper delimitation of the consolidation perimeter and the correct application of accounting criteria.

In this respect, the Audit and Control Committee has the following functions:

1. Prior analysis of economic and financial information, including the analysis of the main assumptions and magnitudes, changes in the consolidation perimeter, and evaluation of the potential impacts arising from changes in the Accounting Standards.
2. Supervision of the annual planning of the audit of accounts, as well as the Internal Control System of Financial Information and the Integrated Report.
3. Quarterly attendance of external auditors at the Audit and Control Committee, which allows managing in advance possible aspects that could have a significant financial impact on the Group's assets, results or reputation.
4. Annual attendance of external auditors at the Board of Directors to detail the results of their Audit work.

Historically, the Company's audit opinion reports have been filed without qualification.

C.1.29 Is the secretary of the Board also a director?

Yes

No

C.1.30 Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

Relations between the Board and the Company's external auditors are channelled through the Audit and Control Committee.

In this regard, it should be noted that the Committee's functions in relation to the accounts auditor are fully consistent with the Recommendations for good governance of the CNMV, with its Technical Guide for Audit Committees, and with current legislation. Thus, in addition to its duties required by the applicable law, Articles 16 of the Board's Rules and 4 of the Regulations of the Audit and Control Committee, assign the following functions in relation to the accounts auditor:

- a) Investigating the circumstances of any resignation of an external auditor.
- b) Ensuring that the remuneration for the work of external auditors does not adversely affect the quality of their work or their independence;
- c) Ensuring that the Company communicates, via the *Comisión Nacional del Mercado de Valores*, information about any change of auditor, including a statement about any disagreements with the outgoing auditor and, if there were any, about their nature.
- d) Ensuring that the external auditor holds a meeting every year with the full Board of directors to report on the work done and on developments in the Company's accounting situation and risks.
- e) Ensuring that the Company and the external auditor observe the current regulations governing the provision of services other than accounting services, the limits on the concentration of the auditor's business and, in general, the other regulations governing auditors' independence.

In addition, Art.12 of the Audit and Control Committee's Rules stipulates that the Committee must set up an effective channel for regular communication with the auditor who is principally responsible for auditing accounts, and must ensure that communications between the Committee and the external auditor are smooth and permanent, in accordance with the rules

governing the activity of accounts auditing, and without jeopardising the auditor's independence or the efficiency with which the auditing work and procedures are carried out.

It should be noted that, in accordance with Art. 529 quaterdecies f) of the Capital Companies Act, the Committee issues annually, and prior to the issue of the report on the auditing of the accounts, a report in which an opinion is expressed about whether the independence of the accounts auditors or auditing companies has been compromised. This report, which is published in the Logista's website sufficiently well in advance of the Company's Ordinary General Meeting, contains a reasoned appraisal of the provision of additional services, other than that of legal auditing, performed by the external auditors.

The said report will contain all relevant information about the services contracted, about the analysis of independence carried out by the Committee, and in particular, about the total amount of the fees received.

In this connection, any request for additional services is submitted for approval to the Audit and Control Committee after the analysis of the pertinent documentation prepared by the Corporate Director of Finances. To that end, the documentation shall include sufficient information to facilitate the evaluation by the Audit and Control Committee.

The said meeting of the Audit and Control Committee will be attended by the Corporate Director of Finances, to whom Committee Members may address additional questions about the specific proposal. When the answers to any such questions have been received, the Audit and Control Committee will proceed to evaluate the said proposal, requesting, if this is thought necessary, additional information or clarifications from any of the Company's employees or from the auditors themselves, and will then approve the proposal if it deems that appropriate. It should be noted that such approval is recorded in the minutes of the Audit and Control Committee's meeting, together with any additional instructions which the Audit and Control Committee may have given in relation to any proposal.

In the specific matter of the accounts auditor's remuneration, the Board of Directors must refrain from engaging any auditing firm whose projected fees for all items exceed five per cent of its total income in the previous fiscal year.

The Board of Directors publicly discloses the total amount of fees which it has paid to the auditing firm for services other than accounts auditing.

In accordance with Logista's Policy on information for, and contact with, shareholders, institutional investors and proxy advisors, and on dissemination of economic, financial, non-financial and corporate information, relations with analysts, investors and proxy advisors are based on the principles of transparency, veracity, immediacy, relevance, consistency, sufficiency, clarity and non-discrimination. Within the Company the unit entrusted specifically with dialogue with each of these groups, the Directorate of Investor Relations, regularly holds informative meetings with them, at the time of the presentation of financial information.

During every contact with financial analysts, the Company always takes particular care to avoid compromising its independence and to observe the internal codes of conduct that are customary in this area, and which are designed to separate services of analysis from those of consultancy.

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

Yes

No

C.1.32 Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes

No

	Company	Group companies	Total
Amount invoiced for non-audit services (thousands of euros)	63	65	128
Amount invoiced for non-audit work/Amount for audit work (in %)	52%	9%	15%

C.1.33 Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

Yes

No

C.1.34 Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	3	3

	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	33%	33%

C.1.35 Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes

No

Details of the procedure

Under Article 18 of the Rules of the Board of Directors, the calling of ordinary meetings is effected by letter, fax, telegram or electronic mail, or by any other means which provides evidence of receipt. This has to be done with a minimum of two days' notice, and a longer period of notice is usual.

Except in the event of a justifiable reason for proceeding otherwise, the call includes the agenda of the meeting, which is accompanied by a summary of the information which is relevant and necessary for deliberation and the adoption of resolutions about the subjects dealt with. A clear indication is given of those matters about which the Board of Directors has to make a decision or resolution, so that the Board Members can first study or collect the information needed for the decision.

In those exceptional situations in which, due to urgency, the Chairman wishes to submit for the Board's approval decisions or resolutions about matters which do not appear on the agenda, the prior, express consent of the Board Members present in the meeting will be required, and that consent will be duly recorded in the minutes.

In addition, Chapter VII of the Board's Rules establishes the right and the duty of Board Members to adequately inform themselves and prepare for meetings of the Board and of the delegated bodies or Committees of which they are members. Requests for information are channelled through the Chairman of the Board, the Chief Executive Officer or the Board Secretary, any of whom will deal with them directly or arrange for the Board Members to have the appropriate internal interlocutors. Board Members may also ask for the contracting, at Logista's expense, of legal advisors, accountants, financiers or other experts.

C.1.36 Indicate whether the company has established rules obliging directors to inform the Board of any circumstances, whether or not related to their actions in the company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. If so, provide details:

Yes

No

Explain the rules

Article 25.2 d) of the Board's Rules includes the obligation of Board Members to offer their resignation to the Board when their continuance on the Board could jeopardise Logista's interests or damage the Company's credit or reputation. In particular, they are obliged to inform the Board of any criminal proceedings in which they are being investigated, and of the vicissitudes of those proceedings.

To that end, Board Members must immediately inform the Board of any situation affecting them which could damage that credit or reputation, particularly any criminal proceedings in which they are being investigated, and of the vicissitudes of those proceedings. The Board of Directors will consider the situation as quickly as possible, and, based on its specific circumstances and a report from the Appointments and Remuneration Committee, will decide whether or not it needs to take any measures, such as the opening of an internal investigation, asking the Board Member concerned to resign, or proposing their dismissal. The Board of Directors will give a

reasoned account of all of this in the Annual Report on Corporate Governance, unless there are special circumstances which obviate the need for this, in which case they will be recorded in the minutes. This will be without prejudice to the information which the Company has to disseminate, if appropriate, at the time when the corresponding measures are taken, when, after the Board's own analysis, it decides that there are indeed situations affecting the Board Member, whether or not related to his or her actions within the Company itself, which damage the Company's credit and reputation.

C.1.37 Indicate whether, apart from such special circumstances as may have arisen and been duly minuted, the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

Yes

No

C.1.38 Detail any material agreements entered into by the company that come into force, are modified or are terminated in the event of a change in control of the company following a public takeover bid, and their effects.

The Company has not entered into any agreement under these terms.

C.1.39 Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries: 11

Type of beneficiaries: CEO, Secretary Director and certain senior managers

Description of the resolution:

(i) CEO

- Compensation equivalent to one annuity of fixed plus short-term variable remuneration in the following cases:
 - Termination of the contract at the will of the CEO for serious breach of the contract by the Company, or if it ceases to be the sole CEO of the Company, or if there is a change of control in Logista's shareholding.
 - Termination of the contract at the Company's will without justifying cause
- Post-contractual non-compete clause: Duration of twelve months. Compensation equivalent to one annuity of fixed plus short-term variable remuneration .

(ii) Secretary Director

- Compensation equivalent to one annuity of fixed plus short-term variable remuneration in the following cases:
 - Termination of the contract at the will of the Secretary Director for serious breach of the contract by the Company, loss of her condition of Secretary to the Board or General Secretary-Head of Legal Department, the Company, or if there is a change of control in Logista's shareholding.
 - Termination of the contract for voluntary and unilateral decision of the Company, implying the cessation in all her positions, without justifying cause.

- Participation in the disengagement plan for Company's top managers ("Plan 60"), To cover the extraordinary remuneration of the Plan, the Company will annually make contributions to a deferred life insurance policy, which the Company itself is the policy holder and beneficiary of, quantified in 20% of the Total Annual Remuneration (fixed remuneration plus annual variable remuneration target of 100%) of the Secretary Director. The Secretary Director's right to receive the extraordinary remuneration, which includes the contributed accumulated amounts until that moment and their financial profitability, arises when she disengages from the Company by mutual agreement, from certain age or in extraordinary circumstances of disability, permanent disability, or other similar circumstances. The collection of such amounts is incompatible with any another compensation for contract termination, and includes a 12 months non-compete obligation.

The total amount of the insured extraordinary remuneration shall not exceed the equivalent to two years' of the Secretary Director's total annual remuneration, at the time of accrual of such remuneration (Recommendation 64 of the Good Governance Code of listed companies of the CNMV).

(iii) Senior Managers

- Compensation in the event of termination of the relationship for unfair dismissal or by the will of the worker on the rightful cause (8 contracts). The compensation to be paid, as the case may be, shall be (i) a minimum of two years of fixed and variable remuneration, unless the legal compensation is higher, or (ii) a certain amount, or (iii) the recognition of seniority accrued within the Group.
- In the event of a change in the shareholding that involves a change of control of the Company (1 contract), the compensation will be the determined amount established therein for this purpose.
- Post-contractual non-compete clause (9 contracts), for a period, depending on the contract, of between eighteen and twenty-four months,. The compensation shall be a remuneration equal to between six months and one year of gross annual salary plus variable remuneration.
- 5 members of the Management Committee, besides the Secretary Director, have been invited to the so called Plan 60.

Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

Body authorising the clauses: Board of Directors

Are these clauses notified to the General Shareholders' Meetings? NO

Remarks

In accordance with the applicable law, these contracts are communicated to the relevant competent bodies. The Directors' Remuneration Policy contains the general framework for these clauses for executive directors and this Policy is approved by the Shareholders General Meeting. The Board of Directors approves the contracts of the executive directors and the basic contractual conditions applicable to top Management of the Company.

C.2 Committees of the Board of Directors

C.2.1 Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them:

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

AUDIT AND CONTROL COMMITTEE

Name	Position	Category
Mr. Alain Minc	Chairman	Independent
Ms. Cristina Garmendia	Member	Independent
Mr. Gregorio Marañón	Member	Independent
Ms. Pilar Platero	Member	Independent
Mr. Richard Hathaway	Member	Proprietary

% of proprietary directors	20%
% of independent directors	80%
% of external directors	00%

The Audit and Control Committee has been entrusted (article 16 of the Regulations of the Board of Directors), in addition to the functions established in the Law, those resulting from the application of the recommendations contained in the Technical Guide of Audit Committees of the CNMV, namely:

In relation to information and internal control systems:

- a) Supervising and assessing the process of drawing up and the integrity of the financial and non-financial information, as well as the control and management of financial and non-financial risks systems related to the Company and its group - including operational, technological, legal, social, environmental, political and reputational or corruption-related systems - reviewing compliance with regulatory requirements, proper delimitation of the consolidation perimeter and the correct application of accounting criteria.
- b) Ensuring the independence of the unit handling the internal audit function; proposing the selection, appointment, and cessation of the head of the internal audit service; proposing the service's budget; approving or proposing to the Board of Directors its priorities and annual internal audit work plan, ensuring that it focuses primarily on the main risks (including reputational risks); receiving regular reports on its activities; and verifying that the senior managers are acting on the findings and recommendations of its reports.

The head of the unit handling the internal audit function will present an annual work programme to the Committee, for its approval or for the Board's approval, will directly inform the Committee of its implementation, including any incidents or limitations arising during the implementation, and of the results and follow up of its recommendations, and will submit a report on its activities at the end of each year.

- c) Setting up and supervising a procedure which allows employees and other people in relation with the Company, such as directors, shareholders, contractors or subcontractors and/or suppliers, to report irregularities of potential importance, including financial, accounting and any other irregularities, within Logista or its Group. Such a mechanism shall ensure confidentiality and, in any event, provide for cases in which communications may be made anonymously, respecting the rights of the complainant and the person accused.
- d) Ensure in general that established internal control policies and systems are implemented effectively in practice.

In relation to the external accounts auditor:

- e) Investigating the circumstances of any resignation of an external auditor.
- f) Ensuring that the remuneration for the external auditor's work does not adversely affect its quality or independence.
- g) Ensuring that the Company notifies the CNMV of any change of external auditor as a material event, and that such notification is accompanied by a statement about any disagreements with the outgoing auditor, and the reasons for the same.
- h) Ensuring that the external auditor attends, annually, the plenary session of the Board of Directors to inform it about the work done and about developments in the Company's risk and accounting situations.
- i) Ensuring that the Company and the external auditor comply with existing rules on the provision of services other than audit services, limits on the concentration of the auditor's business and, in general, all other rules on the independence of auditors.

In relation to the corporate governance:

- j) Supervision of compliance with the Company's environmental, social and corporate governance policies and rules, as well as the Company's Internal Codes of Conduct, also ensuring that corporate culture is aligned with its purpose and values. In particular, it is the responsibility of the Audit and Control Committee:
 - (i) Oversee the application of the general policy for communication of financial and economic information, non-financial corporate information, as well as communications with shareholders and investors, proxy advisors and other interests groups. Also, the communications and relationship of the Company with small and medium shareholders will be supervised.
 - (ii) Regularly evaluate and review the Company's corporate governance system and the environmental and social policy, to confirm that they are fulfilling their purpose of promoting the corporate interest and catering appropriately for the legitimate interests of the other stakeholders.
 - (iii) Supervise that Company's practices in environmental and social aspects are in line with the strategy and policy set.
 - (iv) Monitor and evaluate the Company's interaction with its stakeholder groups.

- k) Any other responsibility or function assigned to it by Law, by the Bylaws, by these Regulations or by the Board of Directors.

The Audit and Control Committee will meet as frequently as may be decided, either each time its Chairman calls a meeting or whenever two of its members request one, and in any event at least four times per year. In the current fiscal year, said number of meetings has exceeded four, as mentioned in section C.1.25.

The Audit and Control Committee makes its decisions or recommendations by an absolute majority of the members present or represented in its meetings.

The information to be dealt with in their meetings is made available to the Board Members sufficiently well in advance to enable them to study and analyse it. Company personnel are regularly invited, so as to allow Committee Members to formulate questions and ask for the explanations which they need in order to make decisions. However, those personnel do not take part in the debates or in the decision-making, and this avoids any bias in the exercise of the Committee Members' duties.

In this connection, any member of the management team or any other member of the Company or Group can be obliged to attend meetings of the Committee, and to collaborate with it and provide it with the information which they possess, and the Committee may require that person to attend without the presence of any other director. The Committee may also require the accounts auditors to attend its meetings.

So that it can perform its duties, the Committee has at its disposal the means and resources that are necessary for independent functioning. Its requests for resources are channelled through the Secretary to the Company's Board of Directors.

For a better performance of its duties, the Audit and Control Committee may obtain advice from professional people outside the Company.

Among the main activities of the Audit and Control Committee during financial year 2020-2021 the following shall be remarked:

- Planning of the Committee activities for next financial year
- Proposal for the review and update of the Company's Whistleblowing Policy.
- Information and Supervision of the Periodic Financial Information that the Company submits to the CNMV and to the markets, as well as of the non-financial information.
- Information and submission to the Board of Directors of the Individual and Consolidated Annual Accounts of the relevant fiscal year, as well as of the Interim Condensed Consolidated Financial Statements.
- Supervision of the Degree of Compliance with the Model for the Prevention of Risks from Crime. Implementation of the new Model and supervision of Compliance Committee and the management of the whistleblowing channel.
- Quarterly and annual monitoring of the Internal Audit Plan activities during 2021-2022, and approval of 2022-2023 Internal Audit Plan and its budget.
- Supervision of the Risk Map of the Group, every four months.
- Monitoring of the Internal Control activities of the Group, including the System of Internal Control over Financial Reporting (ICFR).
- Annual Evaluation of the Internal Audit Unit and establishment of the Business and Individual Objectives for the Short-Term Variable Remuneration of the Corporate Director of Internal Audit.

- Supervision of Accounts Audit fees, and planning of the accounts audit for the financial year.
- Authorization for the provision by auditors of the Company or of companies of the Group, of services other than accounts auditing.
- Supervision of the Integrated Report.
- Report-Proposal to the Board of Directors of the Annual Report on Corporate Governance for the fiscal year.
- Report on the Auditor independence.
- Self-assessment of its functions and composition during the fiscal year.
- Elaboration of the related party's transactions reports

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chairperson of this committee was appointed.

Name of directors with experience	Mr. Richard Hathaway Mr. Alain Minc Ms. Pilar Platero
Date of appointment of the chairperson	Mr. Minc was re-elected Chairman of the Committee on the 3 rd of February, 2022

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Category
Mr. Gregorio Marañón	Chairman	Independent
Mr. Alain Minc	Member	Independent
Mr. Luis Isasi	Member	Independent
Mr. John Downing	Member	Proprietary

% of proprietary directors	25%
% of independent directors	75%
% of external directors	0%

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Appointments and Remuneration Committee has the following competencies (art. 17 of the Board Regulations), in addition to those established by the Law:

- a) Inform about the proposals for the appointment and removals of the Chairman, Vice-Chairman, Secretary and Deputy-Secretary of the Board of Directors.
- b) Examining and organising, in the manner deemed suitable, succession of the Chairman and the first executive of the Company and, if applicable, making proposals to the Board so that this succession occurs in an orderly and planned way.
- c) Ensuring compliance with Logista's remuneration policy, periodically reviewing such policy, including share-based remuneration systems and their application, and ensuring that the individual compensation is proportionate to the amounts paid to other directors and senior officers in the Company.
- d) Ensuring that selection processes are not implicitly biased in such a way that female directors' selection is prevented.
- e) Ensuring that conflicts of interest do not undermine the independence of any external advice the Committee engages.
- f) Verifying the information on Director and senior officers' pay contained in corporate documents, including the Annual Directors' Remuneration Report.
- g) Verifying, on an annual basis, compliance with the Directors' selection policy and setting out its findings in the Annual Corporate Governance Report.
- h) Drafting an Annual Report for the Board of Directors describing the activities of the Appointment and Remuneration Committee. The Report shall be published in Logista's website well in advance of the Annual General Meeting.

- i) Any other competence or duty conferred by the Law, the By-Laws or these Regulations.

The Appointments and Remuneration Committee will meet every time it is called by its Chairman or two of its members' request, and when the Board of Directors or its Chairman request the issuance of a report or the adoption of agreements and at least four times per year.

The Appointments and Remuneration Committee adopts decisions or make recommendations by voting majority of the total number of its members.

The information to be discussed in the sessions is made available to directors well in advance for their study and analysis. Company staff are regularly invited to allow Committee's members to ask questions and request the necessary explanations for decision-making, although such staff do not participate in discussions or decision-making, thus avoiding bias in the exercise of the functions of Committee members. There is an obligation on company staff to attend meetings when required to do so. The Committee may also seek the assistance of external experts.

Main activities during financial year 2021-2022:

- Submission to the Board of the Annual Report on Directors' Remuneration.
- Evaluation of the degree of achievement of the Group's Business Objectives (Bonus) and Proposal of Setting of the Group's Business Objectives.
- Follow-up during the year of the degree of achievement of the Group's Business Objectives
- Evaluation of the Short-Term Variable Remuneration of the executive directors.
- Setting of the Fixed Remuneration of executive Directors.
- Reports on proposals for directors' appointments and cessation.
- Reports on the cessation and appointment of Senior Managers.
- Reports on the contractual conditions of the Management Committee new members
- Proposal to the Board regarding the settlement of the Long Term Remuneration Plans.
- Review of the top management succession plans.
- Monitoring of inclusion, culture and diversity measures implemented by the Company
- Self-assessment of its composition and functions, and proposal of Board self-assessment report and the proposal of improvement actions.

C.2.2 Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors							
	2022		2021		2020		2019	
	Number	%	Number	%	Number	%	Number	%
Audit committee	2	40	2	40	2	40.00	1	25.00
Appointments and Remuneration committee	0	0	0	0	0	0.00	0	0.00

C.2.3 Indicate, where applicable, the existence of any regulations governing Board committees, where these regulations are to be found, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

Besides the Capital Companies Act, the By-Laws of the Company (Articles 15 to 18) and the Board of Directors' Regulations (Articles 14 to 18) contain the rules governing the Board Committees. It should be noted that the Board's Rules, which may be consulted on the corporate website www.logista.com, have been modified during the current fiscal year, as detailed in Section C.1.15 of this Report.

The Audit and Control Committee is also governed by its own Regulations.

D RELATED PARTY AND INTRAGROUP TRANSACTIONS

D.1 Describe, if applicable, the procedure and competent bodies for the approval of related party and intragroup transactions, indicating the general internal criteria and rules of the company governing the abstention obligations of the directors or shareholders affected and detailing the internal reporting and periodic control procedures established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors.

Article 33 of the Board's Rules stipulates that, except in matters which are legally the responsibility of the General Meeting, the Board of Directors, following a report from the Audit and Control Committee, formally reserves to itself cognizance of, and if appropriate, authorisation for, related-party transactions (transactions of the Company with Board Members or significant shareholders). To authorise, when appropriate, a related-party transaction, the Board of Directors will primarily consider the social interest, evaluating the transaction in terms of equal treatment of shareholders and of market conditions.

On occasion, the Company has also made use of its option, under Article 529 duovicies.4 of the Capital Companies Act, to delegate approval of certain transactions. Accordingly, the Chief Executive Officer may approve transactions between companies which form part of the same group when those transactions take place in the ordinary course of management and in market conditions, up to a maximum of 1 million euros, reporting to the following Audit and Control Committee meeting. The delegation of transactions agreed by virtue of contracts whose standard terms and conditions are applied *en masse*, which are made at prices or rates that are fixed in a general manner, and whose value does not exceed half of the Company's net turnover, has also been agreed, with the same reporting obligation.

Board Members who may be affected by a related-party transaction, whether personally or when representing shareholders on the Board, cannot take part in debates or voting on the agreements, except in cases of intra-Group transactions, with the consent of the Board.

The Company reports on the aforementioned related-party transactions in the Annual Report on Corporate Governance, in the regulated Financial Reporting, and in the Report on the Annual Accounts, when applicable and to the extent stated by article 529 unvicies and the following one of the Capital Companies Act.

Article 32 of the Rules also states that Board Members must inform the Board of Directors of any situation in which they themselves or people linked to them could find themselves in conflict, directly or indirectly, with the Company's interests or those of companies in its Group.

In addition, the Framework Agreement of 12th June, 2014, between the Company and Imperial Brands Plc (formerly called the Imperial Tobacco Group), states that all related-party transactions and, in general, any transaction which could pose a conflict of interests affecting the Logista Group and the Imperial Brands Group, have to be concluded in market conditions, in accordance with circumstances reasonably fixed between two independent operators, with the principle of equal treatment of shareholders, and with the principle of neutrality upheld by the Framework Agreement itself.

D.2 Detail on an individual basis, those transactions that are significant, either by their amount or by the subject, carried out between the company or its dependent entities and the shareholders holding 10% or more of the voting rights or represented on the board of directors of the company, indicating which has been the competent body for its approval and if any shareholder or director affected has abstained. In the event that the competent body was the general meeting, indicate if the proposed agreement was approved by the board without the vote against of the majority of independent directors:

Name or Company name of the shareholders or of any of its depending entities	%Shareholding	Name or Company name of the de company or depending entity	Nature of the relationship	Kind of transaction and other necessary information for its assessment	Amount (thousand euros)	Approving body	Identification of the significant shareholder or director who abstained from voting	The proposal to the AGM if any, has been approved by the board without a majority of independent directors voting against
Imperial Brands Plc	50.01	ALTADIS SAU	Commercial	Purchase of goods	340,671	Board of Directors	L. Blohm. J. Downing R. Hathaway M.McGowan J. Ramsey	N/A
Imperial Brands Plc	50.01	Imperial Brands Finance PLC	Contractual	Interests	20,400	Board of Directors	L. Blohm. J. Downing R. Hathaway M.McGowan J. Ramsey	N/A
Imperial Brands Plc	50.01	SEITA	Commercial	Purchase of goods	178,264	Board of Directors	L. Blohm. J. Downing R. Hathaway M.McGowan J. Ramsey	N/A

Remarks
This table includes information on the most relevant related-party transactions executed in the year, as shown in the annual accounts. Additionally, the Company has publicly informed through "Other Relevant Information" published on the CNMV website on 19.08.22, of the related party transactions approved during the year, some of which have only been partially executed in the year, as they are multi-year contracts.

D.3 Detail on an individual basis those transactions that are significant, either by their amount or by the subject, carried out by the company or its subsidiaries with the administrators or directors of the company, including those transactions carried out with entities that the administrator or director controls or controls jointly, and indicating which has been the competent body for its approval and if any shareholder or director affected has abstained. In the event that the competent body was the general meeting, indicate if the proposed agreement was approved by the board, without the vote against of the majority of independent directors:

Not applicable

D.4 Report on an individual basis, those intragroup transactions that are significant, either by their amount or by the subject, carried out by the company with its parent company or with other entities belonging to the parent company's group, including the listed company's own subsidiaries, unless no other related party of the listed company has an interest in such subsidiaries or such subsidiaries are wholly owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

See D.2 above

D.5 Report on an individual basis, those transactions that are significant, either by their amount or by the subject, carried out by the company or its subsidiaries with other related parties, in accordance with International Accounting Standards as adopted by the EU, which have not been reported under the preceding headings.

Not applicable

D.6 List the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, senior management, significant shareholders or other related parties:

Article 32 of the Board Regulations rules the conflict of interest that may affect directors and their related parties. From this regulation, as well as from the provisions of the Law, results the obligation of the directors (i) to report to the Board of Directors any situation of conflict that they may have with the interest of the Company and (ii) to refrain from intervening in the deliberations that affect matters in which the director, or his/her related parties, are personally interested.

In addition the new draft of the Code of Conduct of Logista approved by the Board of Directors on its meeting held in 22 July 2021, contains a specific regulations regarding the conflict of interest resolution which it is applicable to all the Group's employees and in consequence to its senior managers. The employees have the obligations to report any situation of a possible conflict of interest, abstain from getting involved in the matter and comply with all the corrective measures that may be imposed.

Where an Executive Director is involved, the conflict will be managed according to the applicable law. Where a Corporate Manager, General Manager or Business Manager is involved, the potential conflict of interest will be managed by a specific Committee integrated by the Group's Compliance Officer, the Corporate Human Resources Manager, and the Corporate Internal Audit Director (this latter will act as an advisor without the rights to vote).

D.7 Indicate whether the company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

Yes

No

Indicate whether the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries have been defined publicly and precisely:

Yes

No

Report the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries, and identify where these aspects have been publicly reported

The Company is indirectly controlled by Imperial Brands Plc. and their relationship is ruled by the Framework Agreement of 12 June 2014, in the terms explained in section D.1 above.

As a provider of logistics and other value-added services, the Company provides its services to different Companies within the Imperial Group, in the context of their usual commercial operations and under market conditions.

Identify the mechanisms in place to resolve potential conflicts of interest between the parent of the listed company and the other group companies:

Mechanisms for resolving possible conflicts of interest

Eventual conflicts of interest are resolved through the regime of related-party transactions and conflicts of interest described in the previous sections

E RISK MANAGEMENT AND CONTROL SYSTEMS

E.1 Explain the scope of the company's financial and non-financial Risk Management and Control System, including tax risk.

The Corporate Risk Management System of the Company and its subsidiaries is set forth in the Risks Management General Policy updated and approved by the Board of Directors on September 22nd, 2021.

The General Risk Management Policy, applicable to each of the businesses and countries as well as to the corporate areas, aims to implement a continuous and integrated risk management system, in order to provide a tool to Logista's Board of Directors and Management to optimize results, in order to improve their capacities to create, preserve and, ultimately, achieve value.

This Policy establishes the action commitments for the control and management of external and internal risks, of any nature, that may affect Logista at any time in order to achieve its objectives, specifically:

- **To implement an integrated risk management system** and provide a comprehensive and joint vision of them, **which allows identifying and managing risk throughout Logista**, thus improving the ability of the organization to manage Risks efficiently and support decision-making.
- **To allocate responsibilities to participants**, defining the roles and responsibilities of the different bodies involved in Risk Management System.
- **Consider, in a general, a predefined typology of risks:** to generally define the categories or types of financial and non-financial risks, that may affect the group, classified in environmental (including social), business, financial (including tax), compliance, operational and technological and reputational risks. Operational risks include the category of environmental risks (including climate change), as well as fraud and corruption and bribery.
- **To determine the risk profile or Risk Appetite.**
- **To establish measures foreseen to Risk Management.**
- **Periodically supervise the risk management model:** evaluating the adequacy of risks classification considering the environment and Logista reality, as well as the correct operation of the Risk Management Model.
- **To allow an efficient allocation of resources.**
- **To ensure reliability of Financial and non-financial Information**
- **To define guidelines for transparency and Good Corporate Govern**
- **To increase the range of opportunities available**

Furthermore, fiscal strategy described at Fiscal Policy of the Company, states, as part of its key objectives the following:

- To minimize the fiscal Risks associated with the Company's operations and strategic decisions, thus ensuring that the tax payable is appropriate and in proportion to the operations of the Businesses, the material and human resources, and the business Risks of the Group.
- To define the fiscal Risks and determine the Objectives and Activities of Internal Control, and to set up systems for reporting fiscal compliance and for keeping documentary records, integrated with the Group's General Framework of Internal Control.

On the other hand, Logista's Internal Control General Policy of April 25th, 2017, establishes a general action framework for controlling and management of internal and external Risks of any nature, which may affect Logista, in accordance with the Risk Map in place at all times in the achievement of its objectives.

The Risk Management methodology used is developed according to the following scheme, as described in its Risk Management Procedure: establishment of objectives and context, identification of potential Risks, analysis of Risks, evaluation of Risks (impact, probability of occurrence, both in gross and net terms, once the mitigation activities and their speed have been evaluated) and speed), risk treatment (assume, mitigate, transfer, eliminate and pursue), control and continuous review of the Risk Management process, information and communication.

Furthermore, risk tolerances are established when rating each gross risk quantitatively and qualitatively based on certain impact assessment criteria that allow determining its position within the general risk appetite scheme.

The criteria used to determine the impact are: regulatory, economic-financial, legal and compliance, health and safety, impact on processes, reputational and strategic.

During the current fiscal year 2021-22, the "SAP GRC Risk Management" system is being implemented to integrate Logista's risk management model, that is expected to be operational in next fiscal year 2022-23. In this tool, Logista's risk model will be maintained through the different functionalities of the same that will allow to execute the different phases of risk management, (from identification, analysis and evaluation, to its treatment and monitoring). Until the final implementation of this tool, the risk management process has been carried out using the usual tools of the Risk Management System (Risk Register and Risk Maps), with the ultimate aim of informing and carrying out their correct monitoring by the corresponding bodies.

On the other hand, Logista has criminal risk prevention models, in which risk events according to the activities carried out by Logista, are identified and evaluated, as well as the controls for their prevention, mitigation and detection, including those responsible for its execution and its independent verification. Tax offences are included among the list of crimes that have been considered in the model for their prevention.

E.2 Identify the bodies within the company responsible for preparing and executing the financial and non-financial Risk Management and Control System, including tax risk.

The Company's Risk Management Procedure, which develops the Risks Management General Policy approved by the Board of Directors, also establishes the following roles and responsibilities:

The Board of Directors

The Board of Directors is responsible for determining the Risk Management Policy, including tax risks, as well as the supervision of the internal reporting and control systems, in particular of financial information.

It is also responsible for determining the level of risk to be assumed by Logista, ensuring that the Audit and Control Committee has the necessary and adequate powers to perform its functions, and supervising its operation.

The Audit and Control Committee

Among others, according to art. 16.2 of the Board of Directors Regulations, the Audit and Control Committee shall have the following competencies in relation to the supervision of the management and control of Risks:

- a) Supervising and assessing the process of drawing up and the integrity of the financial and non-financial information, as well as the control and management of financial and non-financial risks systems related to the Company and its group - including operational, technological, legal, social, environmental, political and reputational or corruption-related systems - reviewing compliance with regulatory requirements, proper delimitation of the consolidation perimeter and the correct application of accounting criteria. Furthermore, it shall oversee the functions of the Risk and Control Management Unit.
- b) Ensuring in general that established internal control policies and systems are implemented effectively in practice.

The Management Committee

Its basic functions are the following:

- a) To define Logista's Risk strategy and ensure its proper implementation in accordance with Risk Management systems, and communicate to the Risks Owners the guidelines that may be determined.
- b) To supervise the most relevant Risks and make decisions regarding their management and control, such as determining the mitigation strategies for the main risks
- c) To promote and disseminate Logista's Risk culture among all its employees
- d) To advise the Corporate Internal Audit Directorate on all aspects considered relevant for Risk Management.
- e) To make, when required, a proposal for risk appetite and tolerances for approval by the Board of Directors, after deliberation by the Audit and Control Committee.

The Corporate Internal Audit Directorate as Risk and Control Management Unit.

The Corporate Internal Audit Directorate, in its role as Risk Control and Management Unit, will assume the following functions:

- a) To coordinate Logista's risk identification and evaluation process, supporting the Risks Managers in this process, supervising that the main risks are identified, evaluated and managed in such a way that they are at the risk levels that are considered acceptable. Ensuring the proper functioning of the Risk Management system.
- b) To keep the Logista Risks Map updated
- c) To cooperate with the Management Committee in the definition of Logista's Risk Strategy and provide support in the relevant decisions that said Committee must adopt in terms of Risk management.
- d) Ensure that the Risk Management system offers risk mitigating measures in line with Logista's Risk strategy.
- e) Periodically report the status and evolution of the main risks, as well as the result of the process of updating and evaluating them to the Management Committee, as well as prior to their reporting to the Audit and Control Committee and, when applicable, to the Logista Board of Directors.

Risk and Processes Owners

Generally, this function is occupied by the Business Directors and Corporate Directors related to the Risks that correspond to them according to their activity or area of responsibility.

They are the owners of the risks and therefore, the ultimate direct managers of risk responsible in their respective areas, which include, among others, the following functions:

- a) Execution of the Risk strategy established by the Management Committee and any guidelines determined by Logista's organizational units in terms of Risks
- b) Detect situations of Risks and opportunities that affect the achievement of Logista's objectives within its area of responsibility
- c) Report their Risks, through their participation in the risk reporting process established for this purpose and through the tools made available to them, and communicating to the Corporate Internal Audit Directorate how many risks arise, the plans and mitigating actions proposed, as well as the degree of advancement or implementation thereof.

In the event that a new significant Risk is eventually detected outside of the aforementioned periodic review process, such situation must be communicated to the Corporate Internal Audit Directorate for its elevation, if applicable, to the Management Committee for the purposes of its inclusion, where appropriate, in the Risk Map and subsequent information to the Audit and Control Committee, for appropriate purposes.

- d) Analyse and evaluate the identified risks they face in achieving their objectives, according to the available methodology.
- e) Define the most appropriate response for each of its Risks, identifying and / or where appropriate, designing and defining the control activities and internal standards necessary for managing its risks, assigning responsibility for them among the members of its Businesses or Corporate Directorates (the "Control Owners").

- f) Ensure and promote that the control activities designed for each of the identified risks are carried out in a timely manner.
- g) Supervise the implementation of the different action plans and corrective actions defined for mitigation.

E.3 Indicate the main financial and non-financial risks, including tax risks, and those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant, which may affect the achievement of business objectives.

Environment Risks:

- The evolution of the different activities is conditioned by the environment, by the political, social and / or macroeconomic conditions at the global and local level, in the countries in which Logista has a presence. Aspects such as inflationary pressure, disruptions in the supply chain, and the negative evolution of the main macroeconomic indicators, have an impact on the performance and evolution of Logista's businesses, and may be subject to new regulations, cost increases, changes in consumption habits and patterns as well as social events such as sectoral or general strikes, with an impact on operations or the need for restructuring.

Business Risks:

- Risk in the success of the expansion in the different businesses of the Group, to compensate for a possible acceleration of the rate of reduction of the tobacco market together with a misalignment with said market in relation to sustainability policies.
- The transport sector is marked by intense competition, which is affected by a worsening of the economic situation, an increase in costs (gasoline, tolls, distribution costs, wages ...), affecting prices, the cost structure and therefore the mix of product and profitability.
- The liberalization of the main markets in which Logista operates as an authorized distributor of tobacco products in which there is currently a State monopoly for retail sales could affect the results, if the measures already foreseen by the Group were not implemented.

Operational and Technological Risks:

- Damages to systems as a result of deliberate attacks by third parties, as the Group is exposed to threats and vulnerabilities due to the regular use of information technologies and systems in the development of its activities, which may jeopardize the protection of the information and the continuity of the systems, including compromising the privacy and integrity of the information, or suffering data theft or fraud.
- Digitalization entails benefits and opportunities for Logista, risks associated with an incorrect strategy in the execution and technological definition, which may affect the viability of Logista's business models, as well as its competitive position with the associated costs derived from the loss of opportunities. The emergence of new technologies in our businesses impacts on organizational models and the control framework with the inherent risks associated with such a change.
- Theft of tobacco in facilities and during transport associated to increases in insurance premiums.
- In the event of great magnitude, there is a risk of stoppage of operations, or that the continuity plans envisaged to manage disaster scenarios in the required times and conditions, do not allow to ensure the levels of services, nor the availability of the information systems.

- Growing concern on the part of Logista and stakeholders in relation to the impact and consequence of climate change. In this sense, there is, therefore, a risk of not being able to comply with the commitment that Logista has in the development of good practices in quality and environment in order to minimize the environmental impact derived from its activity, optimize the use of resources and prevent pollution in business processes, according to strict regulatory compliance (reduction of the carbon footprint, use of renewable energies, waste management, collaboration with environmental organizations and institutions and energy efficiency standards).
- Any irregular conduct or intentional action that involves a breach of internal and external rules and / or market expectations in relation to ethical business conduct, whether fraud in tenders, contracts, embezzlement of assets, conflicts of interest, manipulation of financial statements or corruption and / or malpractice.

Regulatory Compliance Risks:

- Logista for the particularities of its business, when operating in regulated markets, in which they present high market shares is subject to the supervision of the national authorities in competition matters. In this sense, there are currently actions and / or processes whose result is pending completion.
- Logista's Businesses are subject to compliance of numerous general and industry laws and regulations, with European, national, regional and local reach, in every country where it operates, exposing the Group to potential failures to comply and the corresponding sanctions or claims and, on the other hand, to increasing costs for supervision of compliance and control.
- In the ordinary course of its activities, the Company could be involved in litigation, either as a claimant or a defendant, derived from a potential interpretation of laws, regulations or contracts, as well as the result of legal actions that could be carried out, the results of which are, by nature, uncertain.

Financial Risks/ Tax Risks:

- The main activity of tobacco sales is subject to specific tax regulations, which in turn are complex due to the different geographical segments in which the Group operates. In this sense, there are different tax disputes pending of resolution that require value judgments by Logista in order to estimate the probability that these liabilities will materialize, for which the risk is provisioned based on the opinion of legal experts and the possibility of passing them on to third parties. Currently, the Group has certain years subject to inspection on certain taxes.
- Like any other wholesale business, payment cycles for products purchased from tobacco manufacturers and point-of-sale collection cycles do not match. Along with this, the Logista Group's payment of its tax obligations to the tax authorities is made in a different cycle from that of manufacturers and points of sale. In case of liquidity needs of the governments of the countries in which the group operates, any potential change in the tax payment cycles, as well as a potential significant increase in taxes, (for example: VAT and special taxes), would derive in a negative effect for the business, since it would cause a worsening of the prospects of the financial situation, the operating result, and the cash management of the Group.
- One of the fundamental objectives of the Group is to preserve the value of the Group's assets, by analysing and preventing risks and optimizing the management of major claims. Furthermore, there is a risk of impairment in the fair value of assets, in relation to the high Registered Goodwill, given that the Group has a significant amount of assets and investments, with a considerable impact on the income statement.
- Derived from the usual operations of business with its clients, Logista is exposed to commercial credit risk.

E.4 Indicate whether the entity has risk tolerance levels, including for tax risk.

To ensure Logista's activities are aligned with the level of risk that Logista considers appropriate in the development of its activities and with its business model, inherent in its strategy and corporate culture, and therefore, through an effective and active management, allows risks to be kept within tolerance thresholds. It is the Board of Directors, at the proposal of the Management Committee and after deliberation by the Audit and Control Committee, responsible for approving and validating risk appetite and tolerances. In general terms it is as follows:

Logista presents a higher risk profile compared to the technological risks that could materialize, since, that, within the framework of Logista's strategy, it is a key element to provide logistics services with high added value and, therefore, with a high level of technological progress.

Due to the particularity of the business and the markets where the Group is present, it has a moderate risk profile, therefore Risk Management has to be done considering the following:

- a) Achieve those strategic objectives defined by the Group, keeping a level of uncertainty under control.
- b) Maximize the level of guarantee to shareholders.
- c) Protect Group financial results and reputation.
- d) Take care of stakeholders interests (shareholders, customers and manufacturers).

However, the Group has a low tolerance towards the risk in what concerns to policies, laws and regulations compliance, including tax regulation.

During the first quarter of the fiscal year, the Management Committee has made its risk appetite proposal, established under quantitative (economic-financial) and qualitative (non-financial) criteria to the Board of Directors, after deliberation by the Audit and Control Committee. The Board of Directors has approved and validated this risk appetite.

E.5 Indicate which financial and non-financial risks, including tax risks, have materialised during the year.

Logista is affected by the complexity of the economic, political and social environment in the current global context, which is having a direct impact on the countries in which it has a presence, mainly in Spain, France, Portugal and Italy, whose most visible consequence is the inflationary spiral, as well as to a lesser extent, the delay in the reception of some supplies. In this sense, the rise in prices has a generalized impact, although mitigated in part, with an impact on road transport costs, to which is added the shortage of drivers that, in practice, is another conditioning factor of prices.

Also, risks materialized throughout the year are regular operational risks, in the ordinary course of business, particularly theft of tobacco in the company facilities and during transport, without impact in the Logista's financial results and also, liabilities for the resolution of fiscal litigation processes, ruled against the Group, not affecting significantly the Logista's financial results, as these were properly provisioned, as well as other litigations of non-fiscal character.

In these cases, the control systems established have allowed the mitigation of either the impact of the risk or its probability of occurrence. In general, Logista's Internal Control and Risk Management Systems have allowed several risks to be placed in a low risk profile, and even that some of them have been completed without negative impact for Logista.

The risk of pandemic is maintained, however, it descends to a controlled area, after the entry of the pandemic into a phase of stabilization due to the success of the vaccination campaigns

undertaken at the national level, so the uncertainty regarding the possible consequences of the pandemic have been reduced, not having impacted on the results of Logista, or at the operational level

E.6 Explain the response and oversight plans for the company's main risks, including tax risks, as well as the procedures followed by the company in order to ensure that the Board of Directors responds to any new challenges that arise.

The methodology to elaborate the Risk Map forces the evaluators to assess risks before and after considering the mitigating controls and action plans established for each case. The Risk Management Procedure states which action has to be done (Eliminate, Mitigate, Transfer, Assume and/or Pursue), and also an action plan will be defined.

The following are the main existing controls for each of the risks identified in section E.3 above:

Environment Risks

- The increase in costs is partly offset by the impact of price increases on customers, according to the contracts signed, as well as by cost containment measures and the restructuring and optimization plans and search for synergies undertaken by the Logista.
- Logista manages the possible lack of supplies by signing agreements with its suppliers and the provision of security stocks.
- The evolution of the different activities, as well as their regulatory, social and political environment, is permanently monitored, adapting their strategy and objectives to the different conditions that arise in the countries in which it operates.

Business Risks

- Logista has an expansion plan in line with the strategic plan, based on organic and inorganic growth, diversifying its activities with the premise of always offering the best service and high value to its customers, with special focus on the transport businesses and pharmaceutical distribution which would allow it to compensate for a possible acceleration of the falls in volumes in the tobacco market.
- Logista has cost-passing mechanisms (transport tariffs indexed to the price of fuel), as well as long-term agreements with its suppliers that allow it to control the effect of the possible price increase.
- The shortage of drivers is supplemented by the capture and establishment of lasting agreements over time with drivers and transport companies, which meet the standards set by Logista's businesses through their homologation, all this process carried out by specialized departments.
- The effect of the liberalization of the main markets in which the Group operates as an authorized distributor of tobacco products in which there is currently a State monopoly for retail sales, would be, if there were to be a negative effect, offset by the diversification strategy followed by the Group, and its ability to market tobacco through the extensive capillary network of points of sale.

Operational and Technological Risks

- Logista has developed and updated a Cybersecurity Plan, which includes specific action measures.
- Digital transformation is embedded in Logista's strategy and in new ways of thinking about

customers, competition, data, innovation and values.

- With regard to thefts, highest security standards have been implemented, and Insurance Policies have been contracted, which reduce risks to tolerable levels.
- The Corporate Resources Directorate has issued a Procedure for the development of business continuity plans in Logista based on best practices. In this sense, Logista's businesses have developed business continuity plans, which are being updated and improved, in order to be prepared for possible contingencies that may pose a risk or compromise, the service levels established above the desirable time.
- Logista has developed a Master Plan for Quality and Environment, and a Quality, Environment and Energy Efficiency Policy that establish guidelines and good practices to optimize the use of resources and prevent pollution in processes. Logista has been included by CDP in the group "A List", as one of the global leaders in the fight against climate change. The carbon footprint is verified according to ISO 14064 (GHG Protocol methodology).
- Logista has general principles of behaviour that must be followed both internally and externally, as reflected in the Logista Code of Conduct. Logista has mechanisms to guarantee compliance such as training courses on compliance, the communication of these standards through publication on the corporate intranet as well as supervision, within the general system of internal control of Logista.

Regulatory Compliance Risks

- Logista permanently monitors the regulatory and legislative processes that could affect its activities, in order to anticipate possible changes sufficiently in advance for their proper management. Likewise, it has specific rules and procedures that regulate the framework of action of its activities, as well as the existence of models for the Prevention of criminal risks, all under the principle of "zero tolerance" with fraud and corruption.
- Logista also acts with legal defence, management and monitoring of judicial processes, counting, where appropriate, with the support of external expert advisors or third-party specialists to defend its position, being Logista's position the strict compliance with the Law.

Financial/Tax Risks

- The Company promotes strict compliance with the applicable tax regulations, monitoring and supervising compliance with tax obligations centrally in the Group, with the collaboration of tax advisers and law firms of recognized prestige as support in the presentation of tax returns and the subsequent liquidations, as well as in the case of special operations and, when appropriate, in their legal defence.
- Changes in the group's payment cycles may force it to look for external sources of financing: the most exposed Businesses to the credit risk of their clients, are strengthening the management of the recovery circuits of debt to shorten the collection terms, as well as more closely monitoring the assigned credit limits, promoting the obtaining of bank guarantees.
- The finance department carries out an analysis of the accidental risks that may affect to Logista, both in its assets and in the performance of its activity and establishes the contracting of external insurance coverage that it deems appropriate. In relation to the Goodwill, the Group performs impairment tests.
- Logista controls the risks of insolvency by setting credit limits and establishing strict conditions regarding collection terms; commercial risk is distributed among a large number

of clients with short collection periods, being the main number of clients, tobacco shops, so that exposure to credit risk to third parties outside the Group is not very significant, and it counts, when necessary, with Insurance Policies to mitigate the impact of possible non-payments.

Regarding the procedures followed to ensure that the Board of Directors responds to the new challenges that arise:

- The Management Committee has discussed quarterly the main risks and their response plans, as well as the most relevant risks by business (regardless of their position on the corporate risk map), approving the Logista Risk Map.
- The Audit and Control Committee also monitors four times a year the evolution of the various key risks, as well as their response strategies and associated mitigation plans, including tax risks.
- Likewise, the Board of Directors receives twice a year additional periodic information according to its responsibilities, from the Risk Control and Management Unit about Logista's main risks.

F INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS RELATING TO THE PROCESS OF PUBLISHING FINANCIAL INFORMATION (ICFR)

Describe the mechanisms forming your company's Internal Control over Financial Reporting (ICFR) system.

F.1 The entity's control environment

Report on at least the following, describing their principal features:

F.1.1. The bodies and/or departments that are responsible for: (i) the existence and maintenance of an adequate and effective ICFR system; (ii) its implementation; and (iii) its supervision.

The Logista System for the Internal Control of Financial Reporting (hereinafter 'ICFR') forms part of the Company's Internal Control System and is integrated by all the processes carried out by the Board of Directors, the Audit and Control Committee, Senior Management and the Logista Group personnel. It provides reasonable security in relation to the reliability of the financial information which is released to the markets.

Article 5 of the Board of Directors Regulations ('The general role of supervision'), lays down as one of its responsibilities the definition and approval of the Company policies and general strategies, and in particular, the Control and Management of Risks Policy, including fiscal Risks, and the supervision of the internal systems of reporting and control, including financial reporting. It also defines the ultimate responsibility of the Board of Directors over the financial information which, as a listed company, has to be published regularly, and its responsibility to formulate the annual accounts and present them to the General Shareholders' Meeting.

In accordance with the provisions of Article 16 of the Board of Directors Regulations and article 5 of Audit and Control Committee Regulation, the functions of the Audit and Control Committee are the following:

In relation to information and internal control systems:

a) Supervising and assessing the process of drawing up and the integrity of the financial and non-financial information, as well as the control and management of financial and non-financial risks systems related to the Company and its group - including operational, technological, legal, social, environmental, political and reputational or corruption-related systems - reviewing compliance with regulatory requirements, proper delimitation of the consolidation perimeter and the correct application of accounting criteria.

b) Ensuring the independence of the unit handling the internal audit function; proposing the selection, appointment, and cessation of the head of the internal audit service; proposing the service's budget; approving or proposing to the Board of Directors its priorities and annual internal audit work plan, ensuring that it focuses primarily on the main risks (including reputational risks); receiving regular reports on its activities; and verifying that the senior managers are acting on the findings and recommendations of its reports.

The head of the unit handling the internal audit function will present an annual work programme to the Committee, for its approval or for the Board's approval, will directly inform the Committee of its implementation, including any incidents or limitations arising during the implementation, and of the results and follow up of its recommendations, and will submit a report on its activities at the end of each year.

c) Setting up and supervising a procedure which allows employees and other people in relation with the Company, such as Directors, shareholders, contractors or subcontractors and/or

suppliers, to report irregularities of potential importance, including financial, accounting and any other irregularities, within Logista or its Group. Such a mechanism shall ensure confidentiality and, in any event, provide for cases in which communications may be made anonymously, respecting the rights of the complainant and the person accused.

d) Ensure in general that established internal control policies and systems are implemented effectively in practice.

In relation to the external accounts auditor:

a) In case of resignation of an external auditor, investigating the circumstances for such resignation.

b) Ensuring that the remuneration for the external auditor's work does not adversely affect its quality or independence.

c) Ensuring that the Company notifies the CNMV of any change of external auditor as a material event, and that such notification is accompanied by a statement about any disagreements with the outgoing auditor, and the reasons for the same.

d) Ensuring that the external auditor attends, annually, the plenary session of the Board of Directors to inform it about the work done and about developments in the Company's risk and accounting situations.

e) Ensuring that the Company and the external auditor comply with existing rules on the provision of services other than audit services, limits on the concentration of the auditor's business and, in general, all other rules on the independence of auditors.

Furthermore, the Internal Control Direction, integrated in the Financial Corporate Directorate, is the responsible unit for the design, implementation and monitorization of the Internal Control Systems of the Financial Information. Therefore:

a) Determines on an annual basis the materiality and scope of the ICFR, calculating and evaluating for each company in the Group, the quantitative and qualitative significant accounts and their impact in the ICFR.

b) Determines the structure, implementation and deployments of the ICFR, keeping the GRC tool updated, as a basis for the internal control management (SAP GRC Process Control) and updates the supporting documentation develop for each business (narratives and processes flow charts and risk and control matrixes).

c) Continuously motorizes the defined ICFR controls implementation, and communicates the results of such monitorization through a continued periodical report to Control Coordinators, other players of each business and companies and to the Financial Corporate Directorate.

ICFR monitorization is executed with the SAP GRC control tool that was implemented in former years in the Spanish companies, within ICFR scope, and during the present year in Italy. In this tool the Company manages the risk and control matrixes for the operating and supporting process of the Group and all interested have accessed to it. The Internal Audit Corporate Direction can also follows the monitorization carried out under this scheme and its results. SAP GRC process control manages ICFR processes and control responsibilities of all areas, and not only of those of the Financial Corporate Directorate.

The Internal Control Unit monthly monitors the identified ICFR controls on the Group processes and asks to the managers of each control the evidence of their adequate implementation. It also coordinates and promotes the periodically revision of the controls designed. The testing of the effectivity of the controls, the revision of their design, their outcome and modifications (if any), remain recorded and filed in the SAP GRC Process

Control tool in those companies where such tool is implemented, and in adequately protected files in those companies where this implementation is still pending.

For the next fiscal year, the Company will work in the implementation of the Process Control tool in the rest of countries and companies. In those companies where the tool is not available the ICFR design, follow up and monitorization, is done using SAP GRC process control methodology in a more manual way.

- d) Validates the ICFR design modifications proposals done by the process owners, Internal Control Coordinators, Corporate or Business Directors. It develops new processes or sub-processes.
- e) Coordinates the evaluation of the financial information risks and the its periodical update, and updates the ICFR risk matrix.
- f) Collaborates with the Internal Audit Corporate Direction, maintaining its independence, and provide support in the implementation of the ICFR recommendations arising out of the supervision tasks performed by such Direction.
- g) Is in charge of the training of the ICFR users.

The Financial Corporate Directorate is responsible for the establishment and definition of the accounting policies and of rules and procedures related with the generation of such information, in order to ensure the quality and authenticity of the financial information. For this purposes, the Financial Corporate Directorate has financial structures adapted to local needs in each country where it operates, and has set a Financial Controller in each business that, among other, has the role to fulfil the ICFR procedures.

The Corporate Internal Audit Directorate has, among others established in the Internal Audit Rules, has the role of evaluating whether the procedures, activities and Internal Control objectives, which constitute the Group's Internal Control System and the ICFR system are adequate, effective and efficient, and whether they ensure to the Company, the Audit and Control Committee and the Board of Directors and if applicable the senior management an effective supervision of the financial and non-financial Risks Management and Control System, promoting, recommendations for their strengthening, if necessary.

F.1.2. Indicate whether the following exist, especially in relation to the drawing up of financial information:

- **Departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination throughout the entity.**

The Board of Directors has the general mission to determine and supervise the financial and business objectives of the Company, taken decisions on strategic, plans and policies for theirs accomplishment. It promotes and supervises the management of the Company as well as the fulfilment of the previously set objectives, and ensures the existence of adequate management and organization structure under the effective supervision of the Board.

However the general policy of the Board of Directors is to delegate the ordinary management of the Group in the executive bodies and Management Committee of the Company, except in all those issues where according to the law, the Company by-laws or the Board of Directors Regulation such delegations is not possible.

Furthermore, the Appointment and Remuneration Committee has the role to give an opinion on the appointment and separation proposals on top managers that may be brought by the top executive to the Board.

The top management informs, designs, promotes and approves, if applicable, the modifications of the Group's, Corporate and Business Directorates organic structures. It identifies needs, inefficiencies and improvements in the design of such structures and defines responsibility lines and ensures the adequate tasks distribution.

The Human Resources Corporate Direction implements procedures for the update of the Corporates and subsidiaries organic structures that are documented through corresponding functional charts. Such charts indicate authority lines up to certain organizational level.

Logista has a set of internal rules and regulations that assign responsibilities and segregate roles of the different areas of the Group. Furthermore, it has job descriptions that show main responsibilities of each position.

In particular, the Financial Corporate Directorate has charts that set the composition of the financial departments, of each subsidiary and business unit; there are rules and procedures that compile information on the task performed by the different members of such departments, as well as the responsibilities of key personnel involve in the production of financial statements.

The communications of such charts is published in the intranet where much relevant changes in the organization structure are also published, and the intranet also includes the relevant data of Logista's employees and the reporting lines.

- **Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body charged with analysing breaches and proposing corrective actions and sanctions.**

Logista's Code of Conduct was approved by the Board of Directors on 22 July 2021, replacing the previous one, which had been issued by its controlling shareholder, Imperial Brands Plc.

The Code of Conduct contains the rules and ethical principles that govern the Group's activities, it sets the behaviour requisites that all members of the Group must comply with in their daily work and is the fundamental basis for all policies and procedures of the Group, that have to be interpreted and implemented within the Code framework. It also expressly recognizes a business culture and philosophy based on the principles of legal compliance, honesty, management integrity, and transparency in the relation with each shareholders, workers, suppliers, clients, communities and other stakeholders.

Logista Code of Conduct is available for any interested person in the corporate website (www.logista.com) and is also published in the intranet for all employees. Also available is a summary document that contains the main characteristics and ethical principles of the Code.

All Logista's employees are obliged to comply with the Code of Conduct as well as the internal policies and procedures. New employees must expressly commit themselves to comply with it by signing a document in which furthermore they are informed on how to easily access to it. Logista has English, Spanish, French, Italian, Portuguese and Polish versions of the Code to ensure its adequate dissemination and comprehension in all the countries where it operates. In order to improve knowledge and awareness of the Group's employees on compliance matters, a compulsory training programme for all employees and new joiners has been set.

In particular, the Code of Conduct contains the following obligations:

- To maintain honest, precise and complete financial and non-financial commercial registries, so that they accurately reflect the transactions or events to which they are related.
- To ensure that our financial and non-financial statements, regulatory reports and other publicly disclosed information comply with all applicable and accepted accounting principles, applicable laws and regulations and our internal Policies and Procedures.
- Comply with all local and national laws relating to the accurate and complete maintenance of our financial and non-financial business records.
- Be honest, objective and loyal in the performance of recordkeeping responsibilities.
- Not to prepare or submit misleading information.
- Not to make a dishonest or deceptive entry in any report or record.
- Not to create an unrecorded or improperly described fund.

Furthermore, there is a specific Code of Conduct for the Italian subsidiaries (Codigo Ético) approved by the respective Board of Directors within the context of the Legislative Decree 232/01. They described in a detailed way all the process of the Italian subsidiaries including those related to the elaboration of financial information that are further analysed by the Management and Control bodies required by Italian legislation.

The Group's Compliance Committee is the collegiate body, with autonomous powers of initiative and control, organically dependent on the Audit and Control Committee, which is entrusted with the function of assisting the Audit and Control Committee in supervising the operation of the Compliance System, which is structured on three fundamentals: the Code of Conduct, the Manual for the Prevention of Criminal Risks and the Complaints Channel.

In the rest of the countries in which the Logista group operates, the Compliance Committee is responsible for supervising and monitoring the implementation of the Compliance System through the respective Local Compliance Units, having each of them full functions for the implementation of the compliance system, in their respective areas.

Regarding the analysis of possible misconducts, the Board has assigned such role to the Compliance Committee of the Group under the supervision of the Audit and Control Committee. The Compliance Officer personally attends the Audit and Control Committee to inform on the activities deployed by the Compliance Committee, the claims received under the whistleblowing channel, and on any other issues that the Audit Committee may consider relevant on the follow up and fulfilment of the internal regulations of the Group's Compliance System.

- **Whistleblower channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential and whether anonymous notifications can be made, protecting the rights of the whistleblower and the person reported.**

The Board of Directors Regulations assign to the Audit and Control Committee the responsibility of establishing and supervising a procedure that allow employees and any other person related to the Company, such as directors, shareholders, contractors or subcontractors and suppliers, to communicate the potential relevant irregularities, including financial and accounting irregularities they may find in the Company or within the group. Such mechanism guarantees confidentiality and establishes the cases in which communications

may be done in an anonymous way, respecting the rights of the claimant and the affected party.

On the October 27 2020, the Board of Directors after the favourable opinion of the Audit and Control Committee approved an update of the Whistleblowing Policy of the Group, assigning to the Compliance Committee the management of the whistleblowing channel.

According to such Policy members of the Group and any legitimate party may communicate behaviours, facts or omissions that may amount to non-compliance with the ethical principles and values, laws and internal policies applicable to Logista's Group including any type of financial and accounting malpractices. Furthermore, such Policy includes the general principles and guarantees related to the communication and further procedure of the claim.

The Compliance Committee is in charge of receiving all claims under the whistleblowing channel, however when the claim involves facts, companies or Group members located outside Spain, investigation procedures including final resolution correspond to the local compliance unit that has to periodically report to the Compliance Committee of the investigated claim indicating, if applicable, the conclusion that have been reached.

Anyway, when a claim is admitted the Compliance Committee shall inform the Audit and Control Committee. If the claim involves a member of the Board of Directors, a Corporate Director, a General Manager or a Business Manager, the Chairman or the Secretary of the Compliance Committee must immediately inform the Audit and Control Committee.

At its meeting on May 5, 2022, the Board of Directors, following a favourable report from the Audit and Control Committee, approved a new update of the Group's Whistleblowing Policy, in order to align it with the best practices of the market and the international standard COSO III, establishing the obligation to carry out a categorization of the complaints processed, and formally defining the aspects that are considered in each of them.

The established categories are as follows:

- Violation of Human Rights.
- Corruption or bribery.
- Money laundering and terrorist financing.
- Discrimination, harassment or other labour issues, other than Human Resources matters.
- Non-compliance with environmental regulations.
- Irregularities of a financial and accounting nature.
- Other.

With regards to the confidentiality of the claims, the Policy contains within its general principles a guarantee of confidentiality and, where the local legislation allows it, a guarantee of its anonymous character.

Confidentiality on the identity of the claimant is guaranteed *vis a vis* any other body of the Company in all stages of the procedures and such identity will not be disclosed to any third party or to the investigated persons. When a claim is received, it is codified so that there is not nominative relation between the claimant and the investigated person. Minutes of the Compliance Committee and any other documentation are made anonymous after the terms of Data Protection Regulation have been reached.

As an exception and in accordance with the applicable regulations the identity of the claimant may be disclosed to Administrative or Judicial Authorities in the context of an investigation arising out of the malpractice claim.

The Whistleblowing Channel Policy has been developed in all the countries where the Group is present through a local procedure that regulates all the aspects that may be required in such countries, adjusting the Policy to the particular requirements of each local legislation.

- **Training and periodic refreshment programmes for personnel involved in the preparation and revision of financial information, as well as in the assessment of the ICFR system, covering at least accounting standards, auditing, internal control and risk management.**

Within the annual performance evaluation, the Company encourages personal development and therefore, it detects training needs that are included in the annual training plan.

The Human Resource department in collaboration with business Units, is responsible for the definition of the Annual Training Plan of the Group in which training needs are summarized including the needs of those people that take part in the process of generating risk control and financial information.

Therefore, training courses are held annually and attended by the personnel involved in the preparation and review of Financial Information. In particular, external training courses have been received on: international financial reporting standards, COSO ERM and CIA certification, prevention, detection and investigation of fraud, Excel tools (formulation, macros, pivot tables) and others such as Power BI and SAP GRC, mainly.

To guarantee the understanding and application of the legislative modifications required to ensure the accuracy of the financial information, the departments engaged of the elaboration and supervision of such financial information are continually informed of any modification that may affect such tasks. This update is made through an external newsletter as well as through the attendance to the relevant seminars, and technical updates such the national meeting for risk management.

F.2 Assessment of risks in financial reporting

Report on at least the following:

F.2.1. The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- **Whether the process exists and is documented.**
- **Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.**
- **The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.**
- **Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.**
- **The governing body within the company that supervises the process.**

Logista has a specific selection of policies for the process of identifying Risks in the Group

- The General Policy on Internal Control has the purpose of establishing a model or general framework of action of the Logista Group for Control and Management of external or

internal Risks of whatever kind, which could affect the Group. It contains the Risk and Control model and the principles in which it is based; clear definition of objectives and context evaluation, risk identification and analysis in all levels of the Group, risk exposure and evaluation with special attention to the financial information fraud risk, organization response against risks and supervision of the correctness and efficacy of the internal control system.

The Internal Control Procedure defines and regulates the Control activities that Logista must follow, to avoid or attenuate these internal and external risks; it also defines the responsible Units, involving as much as possible the whole organization, and established the applicable methodology, aimed at the definition of common objectives and the promotion of transparent communication.

- Also, the Risk Management Policy and the Risk Management Procedure describe Risks Management as an interactive and continuous process, incorporated into strategy and planning process. The Policy and the Procedure together define the basic principles and methods to be followed in Logista for the control and management of risks of any nature, which may affect Logista at any time to achieve its objectives.

In the methodology used for Risks Management implemented in the Group, during the phase of identification and prioritization of risks, those risks of a financial nature are considered; among these, the risks of fraud, of error in valuation, of manipulation of financial statements, of non-authorized operation, and errors in financial reporting are considered to be relevant when categorizing the financial risks.

The Risks Management process is reflected in a Risks Register, which is prepared from assessments of the impact, probability and speed of each Risk, made by those responsible for the processes in all the Logista Group companies, who take into consideration variables both quantitative and qualitative.

Its output is the Logista Group Risks Map: there is a consolidated Risks Map of the Logista Group and also there are maps of specific Risks for each Company and Business unit or Corporate Directorate, linked to key Business and Corporate Directorates' processes.

There is also, in the documentation of the Internal Control System associated with each of the relevant processes with an impact on financial information, an inventory of specific Risks of financial information, prioritized and classified, among others, by fraud, compliance, errors and valuation categories.

- **Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.**

Additionally, on an annual basis, Internal Control Department makes an assessment, by each Business and Company, of the significant accounts, both at quantitative and qualitative level, which are later on linked to the different processes, and which results are gathered in what is denominated as ICFR Scope Matrix, and that allow to identify material sections of the financial statements and to prioritize the relevant operational and supporting processes that have impact in financial information.

Taking the Scope Matrix as a reference, the Group develops the identification and description of each of the transactional Risks linked to the relevant processes resulting of such evaluation, as well as the impact on the financial information objectives (financial assertions); existence and occurrence, integrity, rights and obligations, valuation, presentation and breakdown. This analysis is documented at the ICFR Risks and control matrix.

The Corporate Financial Directorate developed in 2016 an instruction for "ICFR documentation", in which premises to be followed are exposed in order to guarantee an adequate documentation maintenance. More explicitly, it is reflected that the review of these documentation must be a continuous and constantly updated process. Nevertheless, at least annually, at the beginning of the fiscal year, Internal Control Coordinator will do a general review of the documentation in order to guarantee a proper maintenance and communication. In case no update needs to be done to the current documentation, this fact will be communicated both to Internal Control Department which evaluates the modifications requested and make the amendments.

- **The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.**

The Logista Group consolidation perimeter is determined monthly by the Financial Corporate Directorate, based on the "Annex 23-Consolidation Procedure" of the "Finance Accounting Manual, Consolidation and Reporting of Logista Group and its Subsidiary Companies. This Procedure establishes the system to be followed to define the consolidation perimeter and to ensure that it is correctly updated, so that nothing is omitted from the consolidated financial information.

In the Group consolidated financial statements at the close of the financial year, in accordance with the methods of inclusion applicable in each case, all those companies belonging to the Logista Group, joint businesses and companies associated with it were included in accordance with the content of the IFRS. For that purpose, the Consolidation Department has a detailed checklist of all the companies belonging to the Logista Group, and carries out a specific, regular analysis of the consolidation criteria to be applied.

- **Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.**

Logista's Risk Management System, considers the following categories of risk, that allow to consider differences as per their nature or their consequences:

- **Environment Risks:** including those events regarding economic, social and political matters. Also, due to the regulated nature of the tobacco market, main business of the Group, the risks regarding any modification to the tobacco regulations fall into this category.
- **Business Risks:** enclosing in this category any risk regarding the behaviour of the different agents present in the businesses of the Group, such the relationship with the tobacco manufacturers, or the entrance of new competitors.
- **Operational and Technological Risks:** those related to the regular Company's operations, such as process inefficiency, technology problems, non-compliance with quality or environment standards, or those resulting from errors in the execution of the activities.
- **Regulatory Compliance Risks:** resulting from non-compliance with existing regulations affecting the Company, including the internal policies and procedures, as well as those regarding the legal regulations that subject Logista, the penal Risks and the compliance with the both the legal regulations and the internal policies regarding the Internal Control of Financial Reporting.
- **Financial/Fiscal Risks:** considering those risks regarding the Company's exposure to price and other market variables fluctuations, such as the exchange rate, interest rate, oil

price, etc. Furthermore, credit risks resulting from contractual liabilities, as well as fiscal Risks from the Company's activities lie into this category.

- **Reputational Risks:** including those events that could negatively affect the Group or the Company image and, therefore, its value, resulting from a behaviour under the stakeholders expectative, including those related to corruption

Logista has also introduced, in different countries, as explained before, the Criminal Risks Prevention Model.

In the process of identifying risks, according to these categories, the possible effects derived from the materialization of said risks are taken into account.

- **The governing body within the company that supervises the process.**

Article 16.2 of the Board of Directors Regulations assigns to the Audit and Control Committee the role to supervise and evaluate the Risk Management and Control Systems. Within its context, Article 5 of the Audit and Control Committee Regulations sets the following roles for the Committee:

1. Supervision of the frequency of the risk management system of the Company, reviewing the appointment and substitution of the responsible persons and where applicable presenting recommendations or proposal to the Board of Directors and establishing the corresponding monitoring term.
2. Supervision of the Risk Control Management Unit that will have the role, among others to ensure the good functioning of the Risk Management and Control Systems. In particular, it will ensure that all important risk that affect the Company are identified and managed and adequately quantified. It will actively participate in the elaboration on the risk strategic and important decision of its managers and will procure that the Risk Control Management System mitigate risk adequately within the framework of the Policy established by the Board of Directors.

F.3 Control activities

Report on whether the company has at least the following, describing their main characteristics:

F.3.1 Review and authorisation procedures for financial information and a description of the ICFR, to be disclosed to the securities markets, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions which may materially affect the financial statements, including accounting closing procedures and the specific review of significant judgements, estimates, valuations and projections.

Financial Information authorization and review procedures

The regulated financial information to be sent to the markets complies with the provisions of Royal Decree 1362/2007 of 19th October, and Circular 3/2018 of June 26th, of the CNMV.

Logista has an "Accounting Policy Manual", issued by the Corporate Finance Directorate, which defines a series of manual and automatic checks that are used to verify financial information, prevent fraud, the risk of error, and ensure compliance with current legislation and the generally accepted accounting principles. There is also a formal procedure for accounts closure in which

the financial information is prepared by each economic/financial manager of each subsidiary company or business, which is verified by the Consolidation and Reporting Department, and approved, before publication, by the Logista Finance Corporate Directorate. It is also checked by the external auditors. Finally, it is analysed by the Audit and Control Committee, which reports to the Board of Directors, the latter being the body which finally approves it and agrees to its publication and dissemination to the markets, as explained in section F.1.1. Such Committee meets periodically in order to supervise, among others, financial information that must be released to the markets as well as any other issues that may be address to the Board of Directors.

In addition, every quarter, Financial Directors and Controllers of the Logista Group Businesses and/or Companies issue a certificate in which they declare that the Logista Group General Policy on Internal Control has been complied with as regards reconciliation of key accounts and controls. Every year, they also issue a representation letter in which they certify:

- That they were themselves responsible for preparing the financial statements reported at the close of the financial year, and for any other breakdown produced.
- That the financial statements were obtained from the Company's accounting records, which reflect all its transactions and its assets and liabilities.
- That the Company's accounting records correspond to what was produced by the consolidation tool in accordance with the local accounting standards plus the adjustments necessary to align them with the IFRS.
- That the concepts included in each account correspond to those in the Group's Accounting Plan and Manual.
- That the estimates and important decisions were made on the basis of the latest information available in the business and are sufficiently well documented and justified.
- That responsibility is accepted for the reliability of the information contained in the consolidated financial statements of the Company or subgroup (where applicable) at the close of the financial year.

Furthermore, the Internal Control Direction monitors the ICFR deployment, informing the Financial Corporate Directorate and Financial Controllers of the Business Units on the results. Internal Audit Corporate Director has accessed to the documents that evidence the monitorization of each process, business and company.

Descriptive documentation of activity flows and controls:

With regard to the documentation describing the control and activities flows, Logista Group has prepared for each business the main processes with ICFR impact, so that, ICFR documentation contains the particularities of the different business and activities carried out by the Group. For each of these processes, a narrative and a flow chart is prepared, describing the process and the main implementing activities. Control and risk matrix are also prepared, containing the controls that allow response to those risks associated with financial information, identifying key risk as well as their owners in each business or corporate area, their automatization, periodicity and the rest of information or characteristic of the control.

The IFCR Documentation has been developed both for the material corporate processes (General Accounting, Consolidation, Fiscal Management, Treasury, Human Resources and Purchases of Non-inventory assets, mainly), as well as for those relevant Business / Country operational processes for the IFCR, such as purchases, sales, stock and logistics services.

Specific review of relevant judgments, estimates, assessments and projections:

With regard to the specific review of the relevant opinions, estimates, valuations and projections, the Logista Group, as part of their Accounting Manual, has an specific annex about financial Provisions which describes the manner of dealing with each of the provisions which the companies in the Logista Group may make, and which is designed to reduce the risk of error in processes related to specific transactions.

Additionally, the Corporate Financial Director presents to the Audit and Control Committee, in order to facilitate said Body the review of regulated financial information, a detail with the main estimates and valuations made in the period under supervision, as well as the main ones hypothesis or methodology used for these estimates.

F.3.2 Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) which support significant processes within the company relating to the preparation and publication of financial information.

Logista uses information systems to keep an adequate record and control of its operations, so their correct functioning is crucial for the Logista Group.

The Information Systems Directorate within the Corporate Resources Directorate, is responsible for Logista's information and telecommunications systems. Among its functions is that of providing the Information Systems Department with a set of policies, procedures and technical and organizational means to ensure the completeness, availability, confidentiality and continuity of the corporate information, including the financial information.

The regulations, available to all the employees through Logista's intranet and relating to the internal control of the information systems, is mainly contained in the following internal rules:

- The Internal Control General Policy
- The strategic framework of the Information Systems
- The Information Security Policy
- The Information Security Procedure
- The Technical Instruction for Roles Maintenance

The Internal Control General Policy establishes the guidelines and directives relating to the management of the risks associated with the management and use of information systems.

The Information Security Policy formulates a reference framework and a set of guidelines and general principles that must be followed by all the Organization, to guarantee the Security of the Group's information and systems as well as the responsible units in relation with this issues.

Information Security Procedure, estates, among other, the following premises:

- Management and control of access to the Logista's information systems, whose general aim is to prevent and as much as possible avoid non authorize access to the said systems and:
 - i. Establishes a procedure for granting Users rights of logical access to the Logista Group Information Systems, and for modifying and revoking them.
 - ii. Defines the identification requirements of an authorized User to access the Information Systems.

- iii. Establishes specific control measures for access to Group Network Services and source codes.
 - iv. Establishes specific control measures for access to Information Process Equipment.
- Acquisition, development and maintenance of information systems, which establishes a process to ensure that security is built into the lifecycle of Information Systems. It also describes the control procedure for changes to Business Applications within Logista, and the management on changes in standard market software packages.
 - Security in operations, in order to maintain and manage the processing of Information and Information Systems in Logista on a continuous and secure basis, and to guarantee that the technological services provided by the Corporate Directorate for Information Systems are being provided normally, the operational procedures necessary for this purpose (such as those relating to backups and recovery of Systems, monitoring, task planning, installation and configuration of Systems, etc.) are documented by this Department. Additionally, in this Procedure there is a specific section concerning Communications Security Management (Network Infrastructure Security Management, Network Device Security, Firewall Policy, and Wireless Networks).
 - Continuity and redundancy in information security, which describes the requirements to ensure the continuity of the Systems during any major event or disaster that may occur; the availability of the Technology Infrastructure in terms of redundancy, and the continuity of the functions of the different businesses.

Regarding segregation of duties, Logista has designed and implemented a matrix for the segregation of functions, which segments the privileges of the users according to the minimum resources and information that are indispensable for the correct performance of the tasks associated with the workstations in the users' areas. In addition, and to complement the matrix for the segregation of functions, a set of measures and/or activities complementary to the segmentation of privileges has been established, such as the inclusion in the model of a group of users with greater privileges, with the aim, after an express request and while keeping track of the operations carried out, of supporting the operations of the corresponding users' area.

Finally, the Technical Instruction for Roles Redesign defines the specific guidelines that should be taken into account when designing the roles, their classification, their nomenclature and the structure they should have, existing a classification and nomenclature specifically for those "SOD Roles", which are those containing critical transactions managed by the Segregation of Duties Model.

The ICFR Group's scheme identifies the general controls over applications and systems that take part in the preparation of financial information or that support key controls that included:

- Security Information Policy
- Existence of remedies planning
- Segregation of Functions Policy
- Logista Assets Policy
- Group's commitments with the integrity of information
- Business continuity plan procedure
- Existence of a Security Committee

During 2022 at least quarterly meeting of the Security Committee have been held to follow up the recommendations and actions plans implemented by the Group regarding information security.

F.3.3 Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.

For the current financial year, none of the processes resulting in the collection of financial information with a material impact on the individual or consolidated financial statements of the Logista Group have been externalised, so the Logista has not required reports about the effectiveness of the controls established by entities outside the Group, other than the requirements of the policies for contracting third parties which the Logista Group uses in its Purchasing Policy.

However, as the result of the valuations is not significant, the Logista Group does repeatedly use reports of independent experts for the valuation of certain commitments to employees' benefits, and for the valuations of certain properties.

The Financial Corporate Directorate monitors the work of those experts in order to check: competence, training, accreditation and independence, the validity of the data and methods used, and the reasonableness of the hypotheses used, if applicable.

F.4 Information and communication

Report on whether the company has at least the following, describing their main characteristics:

F.4.1. A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for operations in the organisation, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates.

The functions of the Consolidation and Reporting Directorate, under the Financial Corporate Directorate, are to define and communicate the accounting policies and keep them up-to-date, and it also has to answer enquiries about the accounting standards and their interpretation.

The Consolidation and Reporting Directorate is kept informed of changes in the accounting standards by means of communications with the external advisors and through the training which they themselves receive. These changes have to be analysed, and when they are applicable, the Accounting Policies defined in the accounting manual have to be updated. The issue of all types of accounting standards is centralised in the Finance Corporate Directorate through their Management of Consolidation and Reporting department, which will be responsible for following and, if appropriate, applying, the modifications published in the regulations.

Logista has a Manual of Accounting Policies, update on 2017, aimed at establishing and describing the accounting policies and the Accounts Plan to which the financial information of all the Logista Group companies, the management information and the formation and formulation of the Logista Group Individual and Consolidated Annual Accounts must mandatorily be submitted.

In this way, it is intended to ensure that the content of the financial information and of the Individual and Consolidated Annual Accounts of the Logista Group are homogenous, consistent, accurate and harmonised, and that they are prepared on time.

The Manual contains and explains the key Good practices of Internal Financial Control of the Group; the rules of registration and valuation and accounting of the most significant elements of the assets and liabilities of the Group's Accounting; the rules for preparation the Financial information, and how they should be applied to the operations carried out by the Group; the consolidation and reporting rules, and in particular, contain different annexes for each of the headings of the financial statements and other areas of special relevance, such as the treatment of long-term incentive plans and recording of provisions, for example.

F.4.2. Mechanisms for capturing and preparing financial information in standardised formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICFR.

Logista's main ERP tool is the 'SAP', which is used to record, at individual level, the accounting transactions from which financial Information is obtained for the subsidiaries of the Logista Group. All the companies which constitute the Logista Group work in accordance with the same plan of accounts, which is homogenous and common to the whole Logista Group, contained in the Accounting Manual.

The consolidated financial statements are prepared centrally from the financial statements which are reported in the established format by each of the Logista Group subsidiaries. To do that, the Logista Group has HFM consolidation software, which the Logista Group subsidiaries and companies use for reporting, and which enables the data to be aggregated, homogenised and analysed at individual and consolidated levels. In the consolidation process, there are checks to ensure the correctness of the consolidated financial statements.

In addition, the Consolidation and Reporting Department, as part of the Accounting Manual, has developed a series annexes– such as the procedures for consolidation, for inter-company transactions and for reporting, which are applicable to all the companies which constitute the Logista Group – which establish the mechanisms for collecting and preparing financial information in homogenous formats, the general rules, rules for the insertion of entries, for the approval of manual entries, opinions and estimates (including valuations and relevant projections) and a system for communicating financial information to the senior management and ensuring the homogeneity of the process of drawing up financial information.

Logista's Board of Directors on its May 5 2021 meeting approved the Policy on Information and Contact with Shareholders Institutional Investors, Proxy Advisor and on Dissemination of Financial, Non-Financial and Corporate Information of Logista. It establishes the principles and general behaviour criteria in relation the dissemination of financial, non-financial and corporate information; available information communication and contact instruments as well as the internal contacts and channels designated to deploy it.

The said Policy established that the Board of Directors as the highest supervision body of financial, non-financial and corporate information must ensure the widest dissemination and quality of the information given to stakeholders and the market in general.

F.5 Supervision of the functioning of the system

Report on at least the following, describing their principal features:

F.5.1. The activities of the audit committee in overseeing ICFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICFR. Additionally, describe the scope of ICFR assessment made during the year and the procedure through which the person responsible for performing the assessment communicates its results, whether the company has an action plan detailing possible corrective measures, and whether their impact on financial reporting has been considered.

Through the Corporate Internal Audit Directorate, entrusted with the Supervision of the Internal Control System of Financial Reporting, the Audit and Control Committee has carried out the following supervision activities during the fiscal year:

- Approval of the audit activities related to ICFR to be executed according to Annual Internal Audit Plan for 2021-2022, which includes the review of tobacco stocks management in France, key controls in purchases, sales and stocks of Italy Retail business, the tobacco orders to cash process in Spain, France and Italy, Logista Parcel transport sales and sales of convenience business in France (SAF).
- Quarterly monitoring of the results of the ICFR reviews performed by the Internal Audit Corporate Directorate, including the evaluation of the impact of the weaknesses detected in the financial information, as well as the progress on the action plan implementation resulted during the audit reports.

The Committee has also carried out the following activities:

- Review of the information about the ICFR which is included in the Annual Report on Corporate Governance.
- Review of the report of the External Auditor's opinion on this subject.

Logista has an Corporate Internal Audit Directorate with functional dependence on the Chairman of the Audit and Control Committee, composed by 8 employees, and a budget item for outsourcing Audit services in France.

Its Internal Audit Policy, approved by the Board in 2015, and updated in 2021, after the proposal of the Audit and Control Committee, defines the purpose, authority and responsibility of the activity of Internal Auditing, and its position within the organisation. Within the responsibilities of the said function, the following competencies (among others), are established:

- To evaluate whether the processes, activities and objectives of Internal Control which constitute the Logista Group System of Internal Control are adequate, effective and efficient, and guarantee the Group, the Audit and Control Committee, and the Board of Directors of the Logista Group the effective supervision of the system of management and control of risks, of financial and non-financial nature, making recommendations for its strengthening, if applicable.

With regard to planning, communication with the Audit and Control Committee, and implementation of corrective measures, the following responsibilities are defined in the Internal Audit Policy:

- In an open dialogue with Top Management and the Audit and Control Committee, the drawing-up of an Annual Internal Audit Plan based on an appropriate methodology of risk, and, if appropriate, on the needs expressed by the Businesses or Corporate Directorates or the Compliance Committee. The work involved in the Annual Plan must be mainly orientated towards the Group's important Risks as well as to the main compliance risk

and, in particular, to those defined under the Criminal Risk Prevention Model. The Plan must envisage work for special, ad hoc requirements during the year. The Annual Plan, and any updating of the Plan, will be sent to the Audit and Control Committee for its approval;

- The performance of the work described in the approved Auditing Plan, as well as any special work or project, requested by the Management, the Audit and Control Committee, the Board of Directors, by the Chief Executive Director or by the senior Management that, attending its own nature and characteristics, it considers relevant its performance, adopting all the necessary safeguards necessities for the Audit Internal function.
- The preparation and despatch of regular (at least quarterly) summary reports to the Audit and Control Committee, on the results of the activity of Internal Audit, the deployment of the Internal Audit Annual Plan, or of other actions not included in the Plan, as well as on the monitoring of the recommendations it may have made and, where applicable, on the need of human and economic resources within the Internal Audit Professional Practices International Framework, the results of the Quality and Improvement Assurance Programme, as well as any other non-fulfilment. Furthermore the Audit Internal Corporate Directorate will elaborate for its submission to the Audit and Control Committee, a list with the key indicators, objectives and results, budget, to value the Internal Audit performance.
- The information to the Senior Management, and if applicable, to the Compliance Committee, in relation with the review activities performed and to collaborate with the business and/or Corporate Directorate, as well as the Compliance Committee, in in the definition of the action plans to comply with their recommendations, and supervision of their starting-up and implementation.

The Internal Audit Plan for 2021-2022, approved by the Audit and Control Committee, was prepared based on the Internal Audit Strategic Plan 2021-2023, also approved by the Audit and Control Committee, in which the rotation criteria of the CNMV Guide of June 2010 are adopted, which allows defining the scope of the ICFR evaluation by carrying out an evaluation that covers the entire of the ICFR in each fiscal year or throughout several fiscal years, in which case for each of them, rotation policies of areas of the financial statements or locations may be established for periods not exceeding two or three years, depending on various factors such as whether it has already been reviewed or process changes, among others.

In line with the approved Audit Plan, during this year the following areas have been reviewed: tobacco stocks management in France, key controls in purchases, sales and stocks of Italy Retail business, the tobacco order to cash process in Spain, France and Italy, Logista Parcel transport sales and sales of convenience business in France.

Furthermore, the potential financial impacts of any control weakness or relevant aspect identified in any other audit review that does not have the ICFR review as its scope are quantified. In this sense, the following reviews not related with the ICFR but that included in their scope the review of some ICFR controls have been carried out: stock management in Lognes and Le Mans warehouses, key controls of Logista Retail purchases, stocks and sales processes.

As part of ICFR evaluation process, which conclusions are included in audit reports for each audited business and process, the operative efficiency of the critical controls described at the existing ICFR documentation is verified, this means: it is evaluated if there are significant internal control deficiencies related to financial information; if so, the financial impact is measured, and corrective measures are set up in order to solve them resulting in action plans. Deficiencies are classified in the audit reports according to criticality, a responsible is appointed and they are monitored until its final solution.

During the current fiscal year, no internal control deficiencies have been detected which may have modified, financial statements, with significant impact, although adjustments or reclassifications not significant are reported to the Audit and Control Committee, if any.

F.5.2. Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards), the internal auditor and other experts can report to senior management and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

The Audit and Control Committee meets at least quarterly with the aim of obtaining and analysing the necessary information in order to fulfil the responsibilities entrusted to it by the Board of Directors. There is an annual activities calendar in order to facilitate the proper planning of functions that the Audit and Control Committee is assigned, and execute the periodical activities, without prejudice that during the year extraordinary subjects could come to light or the planned ones could be subject to changes. This calendar has been prepared on the basis of the provisions of the Capital Companies Law, the Recommendations of the good governance of the CNMV and the Technical Guide on Audit Commissions of public interest entities and the Regulations of the Board of Directors. In this document, it is determined those sessions attended by the Corporate Internal Audit Director, the External Auditors, and fiscal experts or other experts when this is considered necessary.

In this regard:

- The external auditors are present at, and report on, all the sessions of the Committee in which regulated financial information and accounts formulations are analysed. In those sessions, the external auditors report to the Committee on important Auditing and Accounting matters, and on the recommendations identified as those which would enable the Internal Control System to improve. They also present the planning of the Accounts Auditing, their methodology, legislative innovations, and any other information considered to be useful.
- Corporate Internal Audit Director has full access to the Audit Committee, attending its sessions as a guest. Issues, among others, quarterly information, both about detected significant Internal Control weaknesses, including agreed actions plans arising out of the audits with a view to correcting the detected weaknesses in Internal Control, and also, about the state and evolution of these action plans until their proper implementation.

Additionally, the Chairman of the Audit and Control Committee issues to the Board of Directors a summary report of the matters dealt with in these committees, which summarize the significant weaknesses in Internal Control identified during the review processes, the analysis of the annual accounts, as well as any other financial information to be disclosed, the status of action plans, or any other subjects that have been entrusted to the Audit and Control Committee.

Finally, both the Financial Corporate Directorate and the Internal Audit Corporate Directorate, hold private meetings with the Chairman of the Audit and Control Committee, to discuss the scope of the sessions, the work, its conclusions, the information to present in the Audit and Control Committee, as well as any other information deemed appropriate.

F.6 Other relevant information

No other relevant information regarding the ICFR implemented in the Group has been revealed, which has not been broken down into the sections corresponding to this section F.

F.7 External auditor's report

Report:

F.7.1. Whether the ICFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment. If not, reasons why should be given.

Logista has submitted for review by the external auditors the information about the ICFR that was sent to the markets for this fiscal year.

The scope of the auditors' review procedures was in accordance with Circular E14/2013 of 19th July, 2013, of the Instituto de Censores Jurados de Cuentas de España, in which the 'Guide to Action and Model Auditor's Report relating to the System of Internal Control of Financial Reporting (ICFR) in quoted entities'.

G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company's conduct. General explanations are not acceptable.

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.

Complies Explain

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:

- a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.
- b) The mechanisms in place to resolve any conflicts of interest that may arise.

Complies Complies partially Explain Not applicable

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:

- a) Changes that have occurred since the last General Shareholders' Meeting.
- b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies Complies partially Explain

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies Complies partially Explain

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of pre-emptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of pre-emptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies Complies partially Explain

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

- a) Report on the auditor's independence.
- b) Reports on the workings of the audit and nomination and remuneration committees.
- c) Report by the audit committee on related party transactions.

Complies Complies partially Explain

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such remote means.

Complies Complies partially Explain

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

Complies Complies partially Explain

Up-to-date, auditors have never included qualification or reservation in relation to the annual accounts, so it has not been necessary to inform the general meeting.

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies Complies partially Explain

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:

- a) Should immediately distribute such complementary points and new proposals for resolutions.
- b) Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.
- c) Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.
- d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies Complies partially Explain Not applicable

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies Complies partially Explain Not applicable

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies Complies partially Explain

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies Explain

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

- a) Is concrete and verifiable;
- b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
- c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies Complies partially Explain

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies Complies partially Explain

16. That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

- a) In large-cap companies where very few shareholdings are legally considered significant.
- b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies Explain

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies Explain

18. That companies should publish the following information on its directors on their website, and keep it up to date:

- a) Professional profile and biography.
- b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.
- c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.
- d) Date of their first appointment as a director of the company's Board of Directors, and any subsequent re-elections.
- e) Company shares and share options that they own.

Complies Complies partially Explain

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than

3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies Complies partially Explain Not applicable

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies Complies partially Explain Not applicable

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies Explain

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

Complies Complies partially Explain

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.

Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies Complies partially Explain Not applicable

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies Complies partially Explain Not applicable

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies Complies partially Explain

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies Complies partially Explain

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies Complies partially Explain

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies Complies partially Explain Not applicable

29. That the company should establish adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies Complies partially Explain

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies Explain Not applicable

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, in exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies Complies partially Explain

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies Complies partially Explain

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies Complies partially Explain

34. That when there is a coordinating director, the articles of incorporation or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies Complies partially Explain Not applicable

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies Explain

36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

- a) The quality and efficiency of the Board of Directors' work.
- b) The workings and composition of its committees.
- c) Diversity in the composition and skills of the Board of Directors.

d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.

e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

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

Complies Complies partially Explain

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies Complies partially Explain Not applicable

38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies Complies partially Explain Not applicable

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies Complies partially Explain

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.

Complies Complies partially Explain

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies Complies partially Explain Not applicable

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the

control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational , technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.

- b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.
- c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.
- d) Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

- a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.
- b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.
- c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.
- d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.
- e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies Complies partially Explain

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies Complies partially Explain

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies Complies partially Explain Not applicable

45. That the risk management and control policy identify or determine, as a minimum:

- a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.
- b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.
- c) The level of risk that the company considers to be acceptable.
- d) Measures in place to mitigate the impact of the risks identified in the event that they should materialised.
- e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies Complies partially Explain

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:

- a) Ensuring the proper functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.
- b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.
- c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies Complies partially Explain

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies Complies partially Explain

48. That large-cap companies have separate nomination and remuneration committees.

Complies Explain Not applicable

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies Complies partially Explain

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

- a) Proposing the basic conditions of employment for senior management to the Board of Directors.
- b) Verifying compliance with the company's remuneration policy.
- c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.
- d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.
- e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies Complies partially Explain

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies Complies partially Explain

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

- a) That they be composed exclusively of non-executive directors, with a majority of independent directors.
- b) That their chairpersons be independent directors.
- c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.
- d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.
- e) That their meetings be recorded and their minutes be made available to all directors.

Complies Complies partially Explain

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies Complies partially Explain

54. The minimum functions referred to in the foregoing recommendation are the following:

- a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.
- b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.
- c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.
- d) Supervision of the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.
- e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies Complies partially Explain

55. That environmental and social sustainability policies identify and include at least the following:

- a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct
- b) Means or systems for monitoring compliance with these policies, their associated risks, and management.
- c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.
- d) Channels of communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies Complies partially Explain

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies Explain

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies Complies partially Explain

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

- a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.
- b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.
- c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies Complies partially Explain Not applicable

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies Complies partially Explain Not applicable

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies Complies partially Explain Not applicable

- 61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.**

Complies Complies partially Explain Not applicable

- 62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.**

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies Complies partially Explain Not applicable

- 63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.**

Complies Complies partially Explain Not applicable

- 64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.**

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies Complies partially Explain Not applicable

H FURTHER INFORMATION OF INTEREST

- 1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but which it is necessary to include in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.**
- 2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.**

Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

- 3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In such case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Tax Practices of 20 July 2010.**

This Annual Corporate Governance Report was approved by the Board of Directors of the company in its meeting held on November 3rd, 2022

Indicate whether any director voted against or abstained from approving this report.

Yes No

Auditor's report on the "Information relating to
Internal Control over Financial Reporting
(ICFR-SCIIF in Spanish)" of Compañía de Distribución Integral
Logista Holdings, S.A. for the fiscal year ended on
September 30th, 2022

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.



AUDITOR'S REPORT ON THE "INFORMATION RELATING TO INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR-SCIIF IN SPANISH)" OF COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. FOR THE FISCAL YEAR ENDED ON SEPTEMBER 30TH, 2022

Translation of a report originally issued in Spanish. In the event of discrepancy the Spanish-language version prevails

To the Directors
of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.

At the request of the Board of Directors of Compañía de Distribución Integral Logista Holdings, S.A. (the Company), and in accordance with our engagement letter dated October 21, 2022, we have performed certain procedures on the accompanying "ICFR-related information" included in the Annual Corporate Governance Report of Compañía de Distribución Integral Logista Holdings, S.A. for the fiscal year ended on September 30th, 2022, which summarizes the Company's internal control procedures regarding annual financial information.

The Board of Directors is responsible for taking appropriate measures to reasonably ensure the implementation, maintenance, supervision, and improvement of a correct internal control system, as well as preparing and establishing the content of all the related accompanying ICFR data.

It is worth noting that apart from the quality of design and operability of the Company's internal control system in relation to its annual financial information, it only provides a reasonable, rather than absolute, degree of security regarding its objectives due to the inherent limitations to the internal control system as a whole.

Throughout the course of our audit work on the financial statements, and in conformity with Technical Auditing Standards, the sole purpose of our evaluation of the internal control system of the Company was to establish the scope, nature, and timing of the audit procedures performed on the Company's financial statements. Therefore, our internal control assessment, performed for the audit of the aforementioned financial statements, was not sufficiently extensive to enable us to issue a specific opinion on the effectiveness of the internal control over the regulated annual financial information issued.

For the purpose of issuing this report, we exclusively applied the following specific procedures described below and indicated in the Guidelines on the Auditors' report relating to information on the Internal Control over Financial Reporting on Listed Companies, published by the Spanish National Securities Market Commission on its website, which establishes the work to be performed, the minimum scope thereof and the content of this report. Given that the scope of the abovementioned procedures performed was limited and substantially less than that of an audit or a review on the internal control system, we have not expressed an opinion regarding its efficacy, design, or operational effectiveness regarding the Company's annual financial information for the fiscal year ended on September 30th, 2022, described in the accompanying ICFR.

Consequently, had we performed procedures additional to those shown in the abovementioned Guidelines, or carried out an audit or review on the internal control system of regulated annual financial information, other matters might have come to our attention which would have been reported to you.

Since this special engagement does not constitute an audit of the financial statements or a review in accordance with prevailing audit regulations in Spain, we do not express an opinion in the terms established therein.

The following procedures were applied:

1. Read and understand the information prepared by the Company in relation to the ICFR -which is provided in the disclosure information included in the Management Report- and assess whether such information addresses all the required information which will follow the minimum content detailed in Section F, relating to the description of the ICFR, as per the Annual Corporate Governance Report model established by CNMV Circular 5/2013 of June 12, 2013 and subsequent amendments, the most recent one being CNMV Circular 3/2021 of September 28 (hereinafter, the CNMV Circulars).
2. Question personnel in charge of preparing the information described in the above section 1, to: (i) obtain an understanding of its preparation process; (ii) obtain information making it possible to evaluate whether the terminology employed is in line with reference framework definitions; (iii) gather information regarding whether the described control procedures are implemented and functioning within the Company.
3. Review the explanatory documentation supporting the information described in section 1 above, which should, mainly, include that information directly provided to those in charge of preparing the descriptive ICFR information. This documentation includes reports prepared by the internal audit function, senior executives and other internal/external specialists in their role supporting the Audit and Control Committee.
4. Compare the information contained in section 1 above with the Company's ICFR knowledge obtained as a result of performing the procedures within the framework of auditing the financial statements.
5. Read the minutes of the Board of Directors Meetings, Audit and Control Committee, and other Company commissions in order to evaluate the consistency between issues described in the minutes related to the ICFR and information discussed in section 1 above.
6. Obtain the representation letter related to the work performed, duly signed by those responsible for preparing and authorizing the issuance of the information discussed in section 1 above.

As a result of the procedures applied on the ICFR related information, no inconsistencies or incidents have come to our attention which might affect it.

This report was prepared exclusively within the framework of the requirements of the article 540 of the Spain's Corporate Enterprises Act, and CNMV Circulars on ICFR description in the Annual Corporate Governance Report.

ERNST & YOUNG, S.L.

(Signed on the original version in Spanish)

María del Tránsito Rodríguez Alonso

November 3, 2022