



TREASURY SHARE POLICY
INMOBILIARIA COLONIAL, SOCIMI, S.A.

December 14th, 2022

**TREASURY SHARE POLICY
INMOBILIARIA COLONIAL, SOCIMI, S.A.**

1. INTRODUCTION

Pursuant to Article 5 of the Regulations of the Board of Directors, the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A. (hereinafter, the “**Company**” or “**Colonial**”) has the authority to approve the treasury share policy.

On this basis, and for the purpose of defining the Company's general strategies and policies, the Board of Directors is drawing up this Policy to establish a framework for the control and management of treasury share transactions (hereinafter, the “**Policy**”).

2. DEFINITIONS

For the purposes of this Policy, the following terms shall be defined as follows:

Colonial Group: Inmobiliaria Colonial, SOCIMI, S.A. and any subsidiaries and investee companies that fall under Article 42 of the Commercial Code (*Código de Comercio*) in relation to it.

Treasury Share Transactions: Transactions carried out by the Company, either directly or through any of the companies in its Group, on Company shares, as well as any Securities and/or Financial Instruments or contracts of any kind, whether or not they are traded on the Stock Exchange or other organised secondary markets, granting the right to acquire shares in the Company or whose underlying asset constitutes shares in the Company.

Chief of Treasury Shares: The senior officer of the Company to whom the Board of Directors delegates the necessary powers and abilities to implement the Policy and, in particular, to enforce the obligations established therein.

Securities and/or Financial Instruments: This Policy applies to the Securities and Financial Instruments set forth in the Securities Market Law and, in particular:

- a) Shares issued by Colonial and equivalent securities, as well as any other marketable securities of any kind giving their holder the right to acquire them by conversion or through the exercise of the rights conferred by them, that are listed on a Stock Exchange or other organised secondary market, or in relation to which an application for admission to trading on such markets has been made.
- b) Bonds issued by Colonial or any other securities that create or recognise a debt listed on a Stock Exchange or other organised secondary market or in relation to which an application for admission to trading on such markets has been made.
- c) Financial instruments and contracts whose underlying assets are marketable securities or financial instruments issued by Colonial or granting the right to acquire or subscribe for such marketable securities.

- d) Financial instruments that, on maturity, grant an unconditional right or discretionary power to acquire, on the holder's own and exclusive initiative and pursuant to a formal agreement, issued shares conferring voting rights in Colonial.
- e) Financial instruments not falling under paragraph (d) above that are linked to the shares mentioned therein and have a similar economic effect to that of such financial instruments, regardless of whether or not they entitle their holder to settle them through the physical delivery of the underlying securities.

3. ACTION PRINCIPLES

Pursuant to the action principles set forth in this Policy, Treasury Share Transactions shall be carried out as provided in the current legislation and always within the scope of the authorisation granted by the General Meeting.

The Company has a person responsible for treasury shares (hereinafter, the “**Chief of Treasury Shares**”), who shall ensure that specific plans are carried out and shall oversee ordinary Treasury Share Transactions. The Chief of Treasury Shares and/or the persons designated by them shall also be responsible for drawing up the official notifications of securities transactions required by current provisions and for the proper control and registration of these transactions.

This Policy is based on the following basic action principles:

- **Purposes:** Transactions with treasury shares may be carried out for the following purposes: (i) to carry out specific plans for the acquisition or disposal of Colonial shares approved by the Board of Directors within the scope of the authorisation granted by the General Meeting of the Company; (ii) to increase the liquidity of such shares on the market or reduce fluctuations in their price; (iii) to honour legitimate pre-existing commitments; (iv) to provide consideration for the acquisition of another company or the acquisition of assets or their delivery as part of a swap in a merger process; (v) for any other purposes in accordance with the Company’s interests as permitted by the applicable regulations.

Treasury shares may also be acquired to address needs arising from plans for share allocations or compensation in relation to the Colonial share price listing for directors, executives or employees of Colonial or companies forming part of its group.

- **Limitations:** Treasury Share Transactions may under no circumstances aim to interfere with the free formation of prices in the market or to benefit specific shareholders, and extreme care must be taken in the design and execution of treasury share transactions, taking into account the market practices accepted by domestic (liquidity contracts) and European (buyback programmes and stabilisation measures) laws.
- **Transparency:** The buying and selling of treasury shares by the Company and/or the other companies in the Colonial Group, as well as the management of treasury shares, must be transparent from the point of view of regulators and market governing bodies and must duly comply with all applicable information disclosure or notification obligations to such bodies in accordance with the current regulations.

- **Non-influence of insider information:** The Company and the other companies in the Colonial Group shall at all times ensure that investment or divestment decisions or operations directly or indirectly concerning Colonial's treasury shares are not the consequence of or are not influenced by the possession of insider information.

Notwithstanding the foregoing, the Company may delegate authority to a third party to carry out treasury share operations in such a way that this third party may carry out the operation in a discretionary fashion unaffected by restrictions due to insider information, provided this person has had no access to the information. The Company may also enter into liquidity contracts and/or contracts for the implementation of a buyback or stabilisation programme, in any case, subject to the provisions of the applicable regulations.

- **Neutrality:** Action taken by the Company on the market with treasury shares must not represent a dominant trading position. Simultaneous orders for the sale and purchase of treasury shares in the Company may not be given. In any case, Treasury Share Transactions may only be agreed with Colonial's directors and significant shareholders if this has been expressly authorised by the Board of Directors of Colonial, and under no circumstances at higher prices than the listed share price, unless it is in Colonial's corporate interest in view of special circumstances.
- **Centralisation.** All Treasury Share Transactions shall be processed and managed in any event by the persons authorised to issue treasury share investment or divestment orders, who must comply with the action principles established above when exercising the functions assigned to them. All Treasury Share Transactions must be reported to the Chief of Treasury Shares, who shall keep a centralised record with information on all treasury share transactions.

The Chief of Treasury Shares shall also be in charge of reporting at each Audit and Control Committee meeting on the Treasury Share Transactions carried out by any method and the resulting position.

- **Confidentiality:** Any employees forming part of the department that manages Colonial's treasury shares must maintain full confidentiality in relation to Treasury Share Transactions and strategy. This duty of confidentiality applies most particularly to the Chief of Treasury Shares and his/her support staff in their capacity as the parties responsible for managing the Company's treasury shares.

4. TRANSACTION VOLUME

The Company must not exercise a dominant position at any session when trading in its shares. This means that, in general, the total daily volume of Treasury Share Transactions should not exceed 15% of the average daily trading volume of such shares (which shall be that of the last 30 trading days, excluding shares forming part of block trades or other bilateral negotiated transactions, and taking into account only the shares traded on the trading market of the regulated market or the Spanish multilateral trading system).

5. CONDUCT OF TRANSACTIONS

(i) Treasury Share Transactions shall be carried out in a manner that prevents any market manipulation in relation to the Securities, trying to avoid creating trends in relation to them.

(ii) Time Limits: Except on an exceptional basis for justified reasons, no orders may be entered during opening and closing auction periods. In any event, the cumulative volume of all the orders entered

may not be more than 10% of the theoretical volume resulting from the auction at the time of entering such orders. Similarly, no market or market-to-limit orders may be entered during those periods.

(iii) Use of market operators: In order to facilitate its monitoring of such transactions, the Company shall choose a single market operator to act as an intermediary in all its Treasury Share Transactions. Once it has chosen a market operator, the Company shall inform the Spanish Securities Market Commission (CNMV), before trading begins, of the organisation through which it will be carrying out such transactions, supplying the contracts concluded with the financial intermediary for the management of its treasury shares.

The Colonial Group shall comply in its Treasury Share Transactions with all the obligations and requirements arising from the applicable legislation from time to time and shall follow the supervisory bodies' recommendations in this regard as closely as possible. These recommendations, as well as the provisions of this Policy that do not infringe the relevant regulations, may only be diverged from if there are reasons to justify it and it is in the Company's interest.

6. GUIDELINES

Without prejudice to the action principles mentioned above, the Company's treasury shares shall be managed in accordance with the general principles established at the corporate level and shall comply with the following rules:

- All operations must be registered in compliance with the requirements laid down in international financial reporting standards.
- The principles of financial prudence must be applied in any operations carried out with treasury shares.
- The current applicable laws must be complied with.
- The Chief of Treasury Shares shall report on treasury share transactions at each Audit and Control Committee meeting.
- Observance, as far as possible, of any recommendations concerning this issue by supervisory bodies.

7. INTERNAL BODIES RESPONSIBLE FOR OVERSEEING ACTIONS INVOLVING TREASURY SHARES

1. Without prejudice to the functions envisaged herein, the Compliance Unit shall have at least the following functions in relation to this Policy:

- ≡ To interpret the rules set forth herein and propose to the Audit and Control Committee the submission of proposals for any appropriate corrective measures to the Board of Directors.
- ≡ To inform the Audit and Control Committee, whenever it deems it necessary or following a request to do so, of the steps taken to promote awareness and knowledge of this Policy and to comply with it and with the rules on treasury shares.

2. In order to facilitate the fulfilment of the above, the Compliance Unit must be informed by the Chief of Treasury Shares.

3. Without prejudice to the transparency and reporting obligations envisaged in the corporate governance legislation applicable to the Company, the members of the Compliance Unit may not disclose the said body's deliberations and resolutions and shall, in general, refrain from disclosing any information, data, reports or background information to which they may have access as a result of their position or from using them for their own benefit or that of third parties. The members of the Compliance Unit shall continue to be bound by this confidentiality obligation even after they have ceased to hold their position in the Unit.

4. The Audit and Control Committee shall strive to ensure that the rules of this Policy and all the internal rules implementing it are duly complied with. In this regard, the Compliance Unit shall report to the Audit and Control Committee on an annual basis on the application of the principles set forth in this Policy.

8. BREACH

1. Any breaches of this Policy shall, where applicable, be considered infringements of Employment Law as provided in the current legislation.

2. The foregoing is without prejudice to any infringements that may arise from a breach of the applicable rules on treasury shares, as well as to any civil or criminal liability to which the infringing party may be subject in each case.

9. VALIDITY

This Policy shall remain in force until the Company's Board of Directors approves any amendments thereto.

* * * *