



Board Member Remuneration Policy

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1 APPROACH AND SCOPE OF THE REMUNERATION POLICY

This document contains the remuneration policy applicable to Árima Real Estate SOCIMI S.A.'s ("Árima" or the "Company") Board members, in compliance with the legal requirements established by the Spanish Corporate Enterprises Act¹ (the "LSC").

Árima's Directors' Remuneration Policy (hereinafter, the "Remuneration Policy" or the "Policy") has been prepared taking into account the relevance of the Company, its economic situation, market standards for comparable companies, Árima's employee remuneration policy and the dedication of the Company's directors. The remuneration established below maintains an adequate proportion and promotes the profitability and sustainability of the Company at long-term, including the precautions necessary to avoid assuming excessive risks or rewarding unfavourable results and ensuring that the interests of the directors are in keeping with those of the Company and its shareholders, without compromising the independence of the directors themselves.

2 TERM OF THE REMUNERATION POLICY

The Remuneration Policy will be valid from 28 June 2022, the date of its approval by Árima's General Shareholder's Meeting and during the three following fiscal years, i.e. 2023, 2024 and 2025.

Notwithstanding the foregoing, the Annual General Meeting of Árima may amend, supplement or replace this Remuneration Policy at any time during this period at the proposal of the Board with a report in favour thereof from the Nomination and Compensation Committee.

3 OBJECTIVES OF THE REMUNERATION POLICY

The purpose of the Remuneration Policy is to define and control the Company's remuneration practices in relation to its directors.

Taking that into account, the directors' Remuneration Policy establishes a remuneration

¹ Royal Legislative Decree 1/2010, of July 2, 2010, approving the revised text of the Spanish Corporate Enterprises Act, as amended by Law 5/2021, of April 12, 2021.

scheme in keeping with the dedication and responsibilities assumed by them and is applied to attract, retain and motivate Árima's Board members, with the ultimate goal of having members with the appropriate professional profiles to aid in achieving the Company's strategic objectives.

4 CRITERIA AND PRINCIPLES GOVERNING THE REMUNERATION POLICY

To have a robust corporate governance structure, Árima felt it was appropriate to establish clear principles in this area and, specifically, within the scope of the Remuneration Policy to guarantee that the remuneration strategy approved by the Board is applied in accordance with the Company's own strategy.

To that end, the Remuneration Policy will be governed by the following principles:

4.1 Guarantee independent judgement

Remuneration will be structured so as not to compromise the independent judgement of non-executive directors.

4.2 Attracting and retaining the most talented professionals

The remuneration will be competitive so that it allows the Company to attract and retain talent that contributes to creating value for it and achieving its strategic objectives.

4.3 Long-term sustainability

Remuneration must foster the Company's long-term profitability and sustainability and be compatible with its long-term interests and strategy, as well as its values and objectives. Likewise, the necessary precautions will be taken to avoid assuming excessive risks and unfavourable results. Specifically, the remuneration system will set the limits and the specific precautions to ensure that the variable remuneration is tied to the beneficiaries' professional performance and is not simply the result of the general evolution of the markets or the industry.

4.4 Flexibility and transparency

The rules for the management of directors' remuneration shall incorporate mechanisms

that allow for the treatment of exceptional situations in accordance with the needs that arise from time to time. Such exceptional situations shall be duly justified and in line with the regulatory requirements applicable at any given time and may not be based on issues that could be discriminatory.

Notwithstanding the foregoing, the Remuneration Policy and the specific rules for determining remuneration shall be clear and known. In particular, the Company shall make available to the shareholders, on the occasion of the call of the Shareholders' Ordinary General Meeting, the Annual Report on Directors' Remuneration, which shall be submitted to a consultative vote as a separate item on the agenda.

4.5 Clarity and individualisation

The rules for managing and determining the remuneration for each director will be drafted clearly, simply and concisely.

4.6 Fairness, proportionality and consistency of the remuneration with the Company's strategy, interests and values.

Remuneration must be set taking into consideration the dedication, qualification and responsibility required for the office, as well as experience, duties and tasks performed by each director. In addition, remuneration must maintain a balance between market competitiveness and internal equity and be consistent with the Company's strategy, values and interests.

4.7 Adaptation to the best market practices

Remuneration must be in line with remuneration trends and benchmarks followed in the Company's sector of activity or in comparable companies in terms of size or activity, so that it is in keeping with best market practices.

4.8 Linkage to employee compensation conditions

For the establishment of the remuneration conditions of the executive directors, described in this Policy, the remuneration system applicable to Árima's employees has been taken into account.

Specifically, this Policy is intended to be aligned with the Company's general compensation system, seeking in all cases to encourage the commitment of all professionals to the

Company, personal and corporate ethics, and the promotion of strategic objectives and sustainable development.

5 REMUNERATION OF DIRECTORS AS DIRECTORS

The Articles of Association and the Board Regulations establish that the post of independent director is remunerated. The Remuneration Policy seeks to remunerate Board members that are independent directors, i.e.: for performing collective supervisory and decision-making tasks on the Board and, where applicable, the Committees of which they are members, adequately and sufficiently based on their dedication, qualifications and responsibilities, without compromising the independence of their judgement.

In accordance with Article 37 of the Articles of Association and Article 25 of the Board Regulations, the independent directors' remuneration in their capacity as such, will be remunerated through attendance fees for attending the Board meetings and the meetings of the Committees of which they are members at any given time, and will consist of a fixed amount that will be determined by the Annual General Meeting. Consequently, the remuneration that the directors will receive in their capacity as such is established as follows:

- (i) The total amount of the remuneration that the Company may pay to its directors as a whole in their capacity as such will not exceed the amount that the Annual General Meeting determines for such purposes. Therefore, the amount set by the Annual General Meeting will remain in force insofar as it is not amended by a new resolution of the Annual General Meeting, in accordance with applicable legislation.
- (ii) The Board will specifically determine the amount that corresponds to each director and the payment frequency and method, in accordance with this Remuneration Policy. To that end, the Board will take into account the positions discharged by each director within the collective body and any other objective circumstances it considers relevant.

Directors, in their capacity as such, will not receive compensation or payment for the termination of their duties as directors nor do they participate in savings or employee welfare schemes.

Lastly, the Company will pay the third-party liability insurance premium for directors, in accordance with customary market conditions and in proportion to the Company's circumstances. The aforementioned third-party liability insurance extends to all Board members, regardless of their classification.

5.1 Maximum annual remuneration amount for directors

The maximum annual remuneration amount to be received by Board members as such amounts to €425,000. This maximum amount will remain unchanged until the Annual General Meeting determines otherwise.

The aforementioned limit does not include: (a) payment of third-party liability insurance arranged by the Company for its directors; and (b) any reimbursement of current expenses incurred by the directors to attend the Board meetings or meetings of any of its Committees.

5.2 Fixed annual remuneration

Of the amount established in paragraph 5.1 above, the Board will establish the criteria for determining the amount corresponding to each director, taking into account the following:

- The nature of the director.
- The role the director plays on the Board.
- The specific tasks and responsibilities assumed during the year.
- The experience and knowledge required to perform the aforementioned tasks.
- The amount of time and dedication required for its fulfilment.

Specifically, of the amount set in paragraph 5.1, the Board has decided, for payment as the annual fixed emolument corresponding to fiscal year 2022, the following amounts:

- For membership of the Board: €100,000
- For chairing the Board: An additional €25,000.

The remuneration system, as well as the detail of the remuneration, will be broken down annually in the corresponding Annual Report on Directors' Remuneration.

These fixed emoluments are only received by the directors in their capacity as such, provided that they are independent, while executive directors only and exclusively receive the remuneration stipulated in their respective contracts and proprietary directors, when they exist, will not receive any remuneration.

6 REMUNERATION OF EXECUTIVE DIRECTORS

Executive directors will be entitled to receive remuneration for the executive duties they perform generally following the criteria applicable to the Company's executive staff members — the object of which is to establish a compensation package that facilitates the attraction, motivation and retention of valuable human capital.

The Board of Directors is responsible for approving the contracts of the executive directors with the Company. The contract must be approved with the favourable vote of two thirds (2/3) of its members, and the affected director must abstain from attending the deliberation and participating in the vote. The contract shall detail all the items for which the director may obtain remuneration for the performance of executive duties (including, as the case may be, salaries, incentives, bonuses, any compensation for early termination of such duties and the amounts to be paid by the Company as insurance premiums or contributions to savings systems). The director may not receive any remuneration for the performance of executive duties whose amounts or concepts are not provided for in this contract.

In any case, the remuneration of the directors must comply with the Remuneration Policy. Therefore, the remuneration of directors that perform executive duties will be aimed at generating value for the Company, seeking alignment with the interests of shareholders, prudent risk management and strict compliance with the legislation in force on the remuneration of listed companies' directors.

At the date of this Policy, the only directors who perform executive duties are the Chief Executive Officer (the “**Chief Executive**”) and the Chief Financial Officer (the “**CFO**”).

6.1 Fixed annual remuneration

The fixed remuneration will be determined in accordance with the responsibility, hierarchical position and experience of each executive director, taking into account the specific characteristics of each duty and the dedication required, and all the foregoing to establish a competitive base salary that attracts and retains talent to contribute to value creation.

Fixed remuneration (i) will be based, mainly, on a market focus and will consider the size, the profitability, nature and scope of the activities of the Company; and (ii) will be duly aligned with the remuneration established at comparable companies in the industry, nationally and internationally.

The Company will periodically report on the remuneration system and the executive directors' remuneration levels through the corresponding Annual Report on Directors' Remuneration.

6.2 Variable remuneration

Only the remuneration of executive directors will contain variable components.

Variable remuneration is based on the above-described principles of the Remuneration Policy and will take into account the elements set out below.

6.2.1 Bonus

The annual bonus only applies to executive directors as a percentage of their fixed remuneration. The aforementioned variable remuneration is based on objective criteria that aims to assess the directors' individual contribution to the Company's business objectives in the exercise of their executive duties.

In this regard, the aforementioned executive directors' bonus will not exceed a maximum of 150% of the fixed salary.

The bonus will be approved by the Board at the proposal of the Nomination and Compensation Committee based in particular on the level of compliance with the parameters to be taken into consideration for determining compliance with the bonus objectives, as well as their respective weight and degree of achievement.

Based on standard market practices, the requirements of listed companies' investors and the recommendations of Good Governance and the CNMV, the evaluation system is linked to the company's performance and its performance in the market, incorporating the necessary technical limits and safeguards to ensure that such remuneration is related to the individual performance of its beneficiaries.

The evaluation system is linked to predetermined and measurable criteria, aligned with the Company's strategy and with the interests of its shareholders, and linked to the achievement of a result that promotes the Company's sustainability. Financial and non-financial, absolute and relative criteria are considered, which are appropriate to the creation of value and the Company's degree of maturity.

These criteria respond to four equally relevant pillars or categories that encompass the Company's performance from different approaches, but in an integral and complete manner:

1. First of all, a parameter is established that pivots on the **SHAREHOLDERS RETURN (SHARE-BASED TOTAL RETURN)**. It is a priority for the Company and its executive directors, that the shareholders of the Company return on their investment, understood as the increase of the share price value, including any economic return distributed during the year according to economic rights of the shares.
2. Another primordial parameter is the financial behaviour of the Company against its competitors (other listed SOCIMIS in the continuous market) or **SHARE PRICE Vs. NAV** of the Company, valuing the discount between the share price and its Net Asset Value (NAV) in a measurable way.
3. Another parameter that will be measured for the determination of the application of variable remuneration is the value of the Company's **PORTFOLIO** and its management. Excellence in the management of the Company's asset portfolio is considered essential and is linked to the measures detailed below, which encompass the management of the stabilized portfolio and the portfolio undergoing remodelling:

- **Growth in the value of the overall portfolio on a comparable basis** - in Like-for-Like terms - based on valuations performed by an external accredited valuator in accordance with the internationally recognized RICS methodology.
 - **Degree of asset quality**, measurable through a set of certifications issued by external agencies and using national and international methodology. These certifications include, among others, LEED, BREAM, Well and Well Health & Safety certifications.
4. Finally, it is established as a primordial parameter the **CORPORATE AND SUSTAINABILITY RESPONSIBILITY (CSR)**, in order to collect in a measurable and objective way, Árima's behaviour in its effort to be a company that promotes sustainability in its actions at all levels, this category is linked to the following metrics:
- **GRESB**: benchmark assessment in the sector and of great international prestige, which validates verifiable and measurable data related to CSR aspects of the Company's performance and its portfolio of assets, providing a reference ranking that positions each company in the market and against its competitors. It is, therefore, a relative metric.
 - **EPRA SBPR**: European standard that precisely defines key industry metrics in the financial and sustainability areas to promote transparency and facilitate benchmarking among European real estate companies.

With these criteria, - which will have the same specific weighting: ¼ Shareholder Return, ¼ Discount to NAV, ¼ Portfolio and ¼ CSR - the Nomination and Compensation Committee believes that it can evaluate the Company's performance in its complexity and as a whole in a reasonable and objective manner and establishes the following levels of compliance for evaluating the performance of the executive directors:

SHORT-TERM INCENTIVE PLAN (STIP)

Objectives	Weighting Factor	Weighting Factor	Metrics	Targets*		
				0%	100%	150%
SHTR	25,0%	100%	Share Holder Return	≤ 5%	5% - 10%	≥ 10%
FINANCIALS	25,0%	100%	NAV discount vs PEERs	≥ 20%	=	≤ 20%
PORTFOLIO	25,0%	50%	Valuations (Lfl)	≤ 0%	0% - 5%	≥ 5%
		50%	Quality and Sustainability Certifications	4	8	16
		100%				
ESG	25,0%	50%	GRESB	3*	4*	5*
		50%	EPRA Sustainability	Bronze	Silver	Gold
		100%				

* The amount of the Bonus to be proposed to the Board will be proportional to the level of fulfilment of each of the metrics.

- 1) **Fixed:** up to this level of target achievement, no variable compensation plan would accrue in the short term. This scenario will be in place when the minimum target achievement levels are not reached.
- 2) **Intermediate:** once the objectives set by the Nomination and Compensation Committee have been met, in addition to the fixed remuneration, short-term variable remuneration will be accrued an amount between 0% and 150% of the fixed remuneration depending on the level of compliance.
- 3) **Maximum:** in the event of exceeding the targets set by the Nomination and Compensation Committee, in addition to the fixed compensation, short-term variable compensation of 150% of the fixed compensation determined for each executive director shall accrue.

The Nomination and Compensation Committee, from time to time, may adjust the weights of the metrics or incorporate new objectives or metrics to achieve the Company's medium- and long-term objectives. The Nomination and Compensation Committee will propose to the Board of Directors, based on the level of compliance with the metrics and any other factors they

consider relevant, the percentage to be paid as variable compensation up to the maximums set for the intermediate and maximum levels of compliance.

The objectives and parameters will also consider, the risk assumed to obtain a result and will aim to achieve a balance between the Company's short-, medium- and long-term objectives, and not solely revolving around one-off, occasional or extraordinary events or data.

In any event, the objectives, parameters and weights agreed in general by the Board for members of the Company's executive staff, will apply to executive directors.

The metrics to be measured within each of the objectives set out in this Remuneration Policy are as follows:

- 1. SHARE-BASED TOTAL RETURN:** If the growth in share price value, including any economic return distributed in application of the economic rights of the shares during the financial year, is equal to or less than 5%, it will be at the fixed level; if the growth in value is more than 5% but less than 10%, it will be at the Intermediate level; and if the growth in value in a financial year is equal or higher than 10%, it will be at the Maximum level.
- 2. SHARE PRICE Vs NAV:** The existing discount between the share price and its Net Asset Value (NAV) will be assessed in a measurable way with respect to that of its competitors in the market. The Fixed level will be obtained if the discount on NAV is greater than 20% of the competitors average; the Intermediate level is reached if the share price is quoted at a discount on NAV similar than that of the average of its competitors; and the Maximum level is obtained if the discount on NAV at which the company is quoted is less than 20% of the average discount at which its competitors are quoted.
- 3. PORTFOLIO:** Within this category, 50% of the portfolio's Like-for-Like valuation increase will be weighted. It will be in the Fixed level if no revaluation is achieved. It will be in the Intermediate level if the revaluation is between 0% and 5%. It will be in the Maximum level if the appreciation is equal or higher than 5%. The other 50% of the weighting will be determined by the level of achievement of quality certifications in the buildings (LEEDS, WELL, BREAM, etc.), in accordance with the

business plan published by the Company.

- 4. CORPORATE AND SUSTAINABILITY RESPONSIBILITY (CSR):** Within this category the **GRESB** rating will be weighted at 50%. The Fixed level will be obtained with a GRESB rating of three stars; the Intermediate level with a GRESB rating of four stars; and the Maximum level with a GRESB rating of five stars. The remaining 50% will be weighted based on the **EPRA sBPR** rating: the Fixed level will be obtained with a Bronze rating; the Intermediate level with a Silver rating; and the Maximum level with a Gold rating.

The Board, at the proposal of the Nomination and Compensation Committee, may adjust the aforementioned weights or incorporate new objectives that are priorities for the business' development at short, medium and long-term.

The bonus system will be reviewed periodically by the Nomination and Compensation Committee that will determine whether it adequately measures the contribution to the Company's results.

In the event that it is proven that for the calculation of the variable remuneration of the executive directors, false data had been used due to fraudulent manipulation, in such a way that, had the real values been taken, the percentage of variable remuneration that would have corresponded would have been lower, without prejudice to any other liabilities that may arise, the executive directors shall be obliged to reimburse the Company the percentage fraudulently accrued as soon as possible, or said amount shall be deducted from their fixed remuneration.

6.2.2 Long-term incentive plans

The objective of the variable component of executive directors' remuneration through long-term incentive plans, generally consisting of the delivery of shares, share options or share-based instruments, is multifaceted:

- To compensate executive directors for their contribution to the creation of value.
- To encourage fulfilment of the financial objectives, in line with the best recommendations on remuneration matters, as well as the market practice of other listed companies comparable to Árima.

- Aligning the interests of executive directors at long-term with those of shareholders.

To that end, when the Board approves the incentive plans, share purchase plans or other similar instruments for the Company's executive staff and employees, the executive directors will be entitled to join and participate in them in accordance with the terms established by the Board, provided that the Annual General Meeting first agrees to the implementation of any of these remuneration systems.

Thus, the executive directors participate in the Company's Employee Incentive Plan (the "EIP") approved by the Board and the Annual General Meeting and consisting of the delivery of Company shares for no consideration after a certain period of time, subject to fulfilment of certain objectives and the beneficiary remaining at the Company. The main characteristics of the EIP are as follows:

- i. Beneficiaries: the Company's executive team, including de executive directors, and other employees. Directors who do not perform executive duties may not be EIP beneficiaries.
- ii. Validity Period: from 1 July 2020 until 30 June 2024. After that date, a new incentive plan may be implemented.
- iii. Relevant Calculation Terms: For the purposes of (i) the determination of whether the hurdles for the delivery of Incentive Shares have been met under the Employee Incentive Plan and (ii) if applicable, the calculation of the amount of Incentive Shares to be delivered to Beneficiaries, certain terms as defined below apply. These terms have been designed in accordance with, and seek to implement, the following overriding principles:
 - a) "Targeted Cash Equity Raises" are any issues of Ordinary Shares or other equity instruments by the Company for cash consideration raised precisely to pay all or a portion of the acquisition price of one or more specific assets (either directly or indirectly through the purchase of the holding company), as specifically disclosed in the regulatory filings of the Company with the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("CNMV") for the purposes of said capital raise. The cash proceeds of Targeted Cash Equity Raises (net

of any taxes and expenses associated with such issuance) should be considered since receipt of the funds by the Company for the purposes of computing the denominator of the Shareholder Return Rate. Where only a portion of the net cash proceeds of an issue of Ordinary Shares or other equity instruments by the Company are raised precisely to pay all or a portion of the acquisition price of one or more specific assets, then only the relevant portion of the capital raise shall constitute a Targeted Cash Equity Raise with the remainder portion of the capital raise being held to be a Cash Equity Raise (as defined below);

b) “Non-Cash Equity Raises” are issues of Ordinary Shares or other equity instruments by the Company in exchange for non-cash consideration, including real estate assets, shares of companies holding such assets or otherwise. The non-cash proceeds of Non-Cash Equity Raises, being the net value allocated by the parties to the assets acquired by the Company in the relevant transaction documents (net of any taxes and expenses associated with such issuance) should be considered since closing by the Company of the issuance of the relevant equity instruments for the purposes of computing the denominator of the Shareholder Return Rate; and

c) “Cash Equity Raises” are issues of Ordinary Shares or other equity instruments by the Company for cash consideration other than Targeted Cash Equity Raises. The cash proceeds of Cash Equity Raises (net of any taxes and expenses associated with such issuance) should be disregarded for the purposes of computing the denominator of the Shareholder Return Rate until 12 months have elapsed from the time of receipt of the funds by the Company. This is to allow the Management Team sufficient time to search for target assets suitable for investment within the Company’s pipeline at appropriate return rates and to negotiate and execute the terms of any such acquisitions.

The definition of each of the relevant terms for calculation purposes is as follows:

- The “Shareholder Return” or “ Δ NAV” for a given Calculation Period is equivalent to the sum of (i) the change in the NAV of the Company during such Calculation Period less the proceeds (whether cash or non-cash) of any issuance of Ordinary Shares or any other equity instruments during such Calculation Period (net of any taxes and expenses associated with their issue);

and (ii) the total dividends (or any other form of remuneration or distribution to the shareholders) that are paid in such Calculation Period, as determined pursuant to the following formula:

$$NAV_{final} - NAV_{initial} - NP + Dividends$$

Where :

- NAV_{final}: is the NAV as at the last day of every Calculation Period;
 - NAV_{initial}: is the NAV as at the first day of every Calculation Period;
 - NP: are the aggregate proceeds (whether cash or non-cash) raised by the Company from any issuance of shares or other equity instruments during the relevant Calculation Period (net of any taxes and expenses associated with their issue); and
 - Dividends: are any dividends or other distributions paid by the Company to its shareholders during the Calculation Period.
- The “Calculation Period” shall be the period for which the Shareholder Return shall be calculated for purposes of every vesting cycle under the Employee Incentive Plan, comprising from July 1 each year until June 30 of the following year.
 - The “First Calculation Period” of the updated Employee Incentive Plan shall be the period starting on July 1, 2020 and ending on June 30, 2021.
 - “NAV” is the net asset value of the Company, adjusted to include properties and other investment interests at fair value, which will be calculated semi-annually by the Company in accordance with EPRA Net Tangible Asset Value based on the Company’s financial statements under IFRS and the most recent valuation of the real estate properties of the Company and approved by the Board of Directors. Valuations of the real estate properties of the Company will be performed as of June 30 and December 31 each year by a suitable independent qualified RICS accredited appraiser to be appointed by the Audit and Control Committee.
 - The “Shareholder Return Rate” or “SRR%” for a given Calculation Period is the

Shareholder Return for such Calculation Period divided by the time-weighted average equity during the calculation period, expressed as a percentage, as determined pursuant to the following formula:

$$\text{SRR}\% = \frac{\Delta NAV}{NAV_{initial} + \sum NP_i^{Current, Targeted \& NonCash} \cdot \Delta t_i^{Since Closing} - \sum NP_i^{Previous, Cash} \cdot \Delta t_i^{Till Anniversary}}$$

Where:

- ΔNAV : is the Shareholder Return as defined above.
- $NAV_{initial}$: is the NAV as at the first day of every Calculation Period.
- $NP_i^{Current, Targeted \& NonCash}$: are the proceeds (net of any taxes and expenses associated with their issue) raised by the Company from any issuance of Ordinary Shares or other equity instruments constituting a Targeted Cash Equity Raise or a Non-Cash Equity Raise during the relevant Calculation Period.
- $\Delta t_i^{Since closing}$: is the number of remaining days since the date of closing by the Company of the relevant equity issuance until the end of the relevant Calculation Period, divided by 365.

$NP_i^{Previous, Cash}$: are the cash proceeds (net of any taxes and expenses associated with their issue) raised by the Company from any issuance of Ordinary Shares or other equity instruments constituting a Cash Equity Raise during the immediately preceding Calculation Period.

- $\Delta t_i^{Till Anniversary}$: is the number of days since the start of the relevant Calculation Period until the first anniversary of the date where such amount of net cash proceeds was received by the Company, divided by 365.

- The “Relevant High-Water Mark” for a given Calculation Period is the higher of (i) the NAV as at 30 June 2020, and (ii) the NAV as of the end of the most recent Calculation Period in respect of which the Incentive Shares were vested (adjusted to include total dividends paid during such Calculation Period).

iv. Key Hurdles: The Beneficiaries will be allocated Incentive Shares in respect of a given

Calculation Period if both of the following two key hurdles are met:

- a) the Shareholder Return Rate for such Calculation Period exceeds 8% (the extent that the Shareholder Return Rate is above 8% being the “Shareholder Return Outperformance Rate” and determined pursuant to the following formula: *Shareholder Return Rate* – *H*, with *H* being 8%); and
- b) the Relevant High Water Mark for such Calculation Period is exceeded by the sum of (A) the NAV of the Company on the last day of such Calculation Period less the aggregate proceeds (whether cash or non-cash) raised by the Company from any issuance of Ordinary Shares or other equity instruments during the relevant Calculation Period or in any preceding Calculation Period since the most recent year in respect of which Incentive Shares were vested (net of any taxes and expenses associated with their issue), and (B) the total dividends (or any other form of remuneration or distribution to the shareholders) that are paid in such Calculation Period or in any preceding Calculation Period since the most recent year in respect of which Incentive Shares were vested (the amount (if any) by which such sum exceeds the Relevant High Water Mark, divided by the Relevant High Water Mark for such Calculation Period and expressed as a percentage, being the “High Water Mark Outperformance Rate” for such Calculation Period).
- c) If the above hurdles are met in respect of a Calculation Period, the Beneficiaries will be entitled to receive a number of Incentive Shares equal to a percentage of the weighted average number of Ordinary Shares of the Company in issue during the Calculation Period, equal to the lesser of (x) 20% of the Shareholder Return Outperformance Rate for such Calculation Period and (y) 20% of the High-Water Mark Outperformance Rate for such Calculation Period. The weighted average number of Ordinary Shares of the Company in issue during the Calculation Period (the “Weighted Average Number of Ordinary Shares”) is the total number ordinary shares in issue at the beginning of the Calculation Period adjusted consistently with the method used to determine the time-weighted average equity for the purposes of computing the Shareholder Return Rate during the applicable Calculation Period as described above (this is: the

total number of ordinary shares in issue at the beginning of the Calculation Period increased by (i) the number of new ordinary shares issued during the relevant Calculation Period for either Targeted Cash Equity Raise or for non-cash consideration in a Non-Cash Equity Raise, multiplied by the applicable time-weighting factor $\Delta t_i^{\text{since closing}}$ as described above, and reduced by (ii) the number of new ordinary shares issued during the immediately preceding Calculation Period for cash consideration in a Cash Equity Raise multiplied by the time-weighting factor $\Delta t_i^{\text{till anniversary}}$ as described above).

- d) The maximum aggregate amount of Incentive Shares that the Beneficiaries as a whole may receive during the Term of the Employee Incentive Plan is 10% of the total Ordinary Shares of the Company issued and outstanding at the time. As a consequence of the foregoing, taking into account the outstanding share capital of the Company, under no circumstances, as long as it remains unchanged, shall the percentage of Incentive Shares in any year, or in aggregate, exceed 8.1% of the Company's Ordinary Shares as of the date of formulation of this policy. Given the Company's level of maturity, under normal market conditions, a significant level of growth would be expected.
- v. Calculation: For the sake of calculations of the number of Incentive Shares to be allocated under the Employee Incentive Plan, the number of shares to be delivered to the Beneficiaries of the Employee Incentive Plan (the "Incentive Shares") will be calculated annually as of the last day of the most recently elapsed Calculation Period (commencing on the First Calculation Period) as a percentage of the Weighted Average Number of Ordinary Shares of the Company issued during the Calculation Period as described above.

The Company's financial department headed by the Chief Financial Officer will make the corresponding calculations of the Incentive Shares to be delivered annually pursuant to Employee Incentive Plan. These calculations will be verified by the auditor of the Company at the end of each Calculation Period pursuant to an agreed-upon procedures report to be issued at such time on the basis of the interim financial statements of the Company as of June 30 of each year and on the basis of an independent appraiser's valuation report. Once verified they shall be submitted

to the Nomination and Compensation Committee which shall review and, if deemed appropriate, shall submit such calculations to the approval of the Board of Directors. The Board of Directors will approve the number of Incentive Shares to be allocated under the Employee Incentive Plan in respect of every Calculation Period concurrently with the approval by the Board of Directors of the financial statements of the Company as of June 30 of each year, commencing on June 30, 2021. The date of approval by the Board of Directors of the number of Incentive Shares allocated to the Beneficiaries in connection with a Calculation Period will be referred to as the “Vesting Date”, and the Incentive Shares allocated to the Beneficiaries on the Vesting Date will be referred to in this document as “vested”.

The Incentive Shares vested in respect of each Calculation Period of the Employee Incentive Plan will be allocated to the Beneficiaries as follows: 50% of the relevant Incentive Shares will be allocated to the Chief Executive - of which he may dispose of as he deems appropriate- and any remaining Incentive Shares will be allocated among the rest of the Beneficiaries, following an initial proposal by the CEO, to be confirmed by the Board of Directors following the validation of the Nomination and Compensation Committee.

Notwithstanding the foregoing, in the event that it is proven that false data had been used for the calculation of the Incentive Plan due to fraudulent manipulation, in such a way that if the real values had been taken, the number of Incentive Shares that would have corresponded would have been lower, without prejudice to any other liabilities that may be established, the executive directors shall be obliged to reimburse the Company the percentage fraudulently accrued in the shortest possible period of time.

- vi. Deferral Periods: The Incentive Shares will be delivered to the Beneficiaries only at the end of three subsequent deferral periods (each, a “Deferral Period”) with one third of the Incentive Shares being delivered following 12 months plus one day from the end of the applicable Calculation Period, another third of the Incentive Shares being delivered following 18 months plus one day from the end of the applicable Calculation Period and the remaining third of the Incentive Shares being delivered following 24 months plus one day from the end of the applicable Calculation Period.

If prior to the end of any Deferral Period the Beneficiary ceases to be an employee (or a Director of the Company in the case of the executive directors) for any reason attributable to the Beneficiary, this is: (i) voluntary termination by the Beneficiary without cause, and (ii) termination by the Company with cause (*causa justificada*) constituting a fair disciplinary dismissal (*despido disciplinario procedente*), as such term is defined in article 55 of the Spanish Workers' Statute (*Real Decreto Legislativo 2/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Estatuto de los Trabajadores*) for members of the Management Team employed under employment contracts, or the analogous grounds for termination applicable to executive directors rendering services under services agreements)(as applicable), the Beneficiary will no longer be entitled to receive any Incentive Shares vested under the Employee Incentive Plan in respect of any Deferral Period that ends after such termination. In the event that the Beneficiary ceases to be an employee (or a Director of the Company in the case of the executive directors) for any other reason prior to the end of any Deferral Period, the Beneficiary will be entitled to receive upon termination the Incentive Shares vested under the Employee Incentive Plan and pending delivery in respect of any Deferral Period already initiated that ends after such termination. Moreover, if before the end of any Deferral Period a Liquidation Event occurs, Incentive Shares vested will be delivered to the Beneficiaries as soon as reasonably practicable following the occurrence of a Liquidation Event without regard to any Deferral Periods.

- vii. Payment: The Board of Directors will make all arrangements to deliver the Incentive Shares vested, if any, to the Beneficiaries as soon as practicable following the expiry of the applicable Deferral Period, prioritising always the delivery of existing shares over the issuance of new shares and the payment of an amount in cash equivalent to the value of the Incentive Shares. For such purposes, the Board of Directors may use, subject to the required approvals, any of the procedures and mechanisms available by law to effect such delivery, including without limitation the purchase of treasury shares, the issue of new shares in the event of a shortfall in the number of treasury shares available for delivery to the Beneficiaries or entering into agreements with third parties.

In lieu of paying the incentive Shares under the Employee Incentive Plan through the delivery of the Incentive Shares, the Board of Directors may decide, in the event of: (i) the Company not having enough treasury shares to deliver the Incentive Shares to be delivered to the Beneficiaries under the Employee Incentive Plan; (ii) not being in a position to purchase such shares in the open market or from an existing shareholder, or (iii) upon a Liquidation Event; to settle the Incentive Shares in cash. Such cash payment in the case of (i) and (ii) above shall be equal to the relevant amount which would be necessary to subscribe for the corresponding number of newly issued Incentive Shares or to acquire existing Incentive Shares from the Company. In this regard, the Company will establish the mechanisms necessary to guarantee the subscription by the Beneficiaries of the corresponding number of newly issued Incentive Shares or to acquire existing Incentive Shares from the Company. The share price used to determine this cash payment shall be: in the case of (i) and (ii) above the closing price of the Company's Ordinary Shares on the Spanish Stock Exchanges at close of trading of the day the cash settlement of the Incentive Shares is approved by the Company; and in the case of (iii) as discussed in the section regulating the Liquidation Events below. Any such cash payment shall not be considered net cash proceeds of any issues of Ordinary Shares for the purposes of calculating the Shareholder Return or the Shareholder Return Rate.

The delivery of Incentive Shares will be communicated by the Beneficiaries in accordance with the Market Abuse Regulation.

Any disposals of any Incentive Shares by the Beneficiaries will be communicated to both the Company and the CNMV in accordance with applicable law or the Company's Internal Code of Conduct in the Securities Markets.

The Company, by resolution of the Board of Directors following a report of the Audit and Control Committee, may grant loans to the Beneficiaries in standard market terms on an arm's length basis to finance any Spanish income tax burden associated with the payment of the Incentive Shares

- viii. Liquidation Events: Pursuant to the Employee Incentive Plan, in the event of (i) liquidation of the Company approved by its Shareholders, or (ii) a takeover of the Company or a sale of Ordinary Shares of the Company that results in the taking of a

control position by any party (as the term “control” is used in Royal Decree 1066/2007, of July 27, of regime applicable to public takeovers (Real Decreto 1066/2007, de 27 de julio, sobre el régimen de las ofertas públicas de adquisición de valores), or (iii) in the case of executive directors other than the Chief Executive Officer, if a new Chief Executive Officer is appointed for any reason other than the voluntary resignation of the current Chief Executive Officer, in both cases before the end of the Term of the Employee Incentive Plan (each a “Liquidation Event”), the Beneficiaries will be entitled to receive as indicated below Incentive Shares (which will not be subject to any Deferral Period) or, as further described below, a cash amount, representing a percentage over the total issued Ordinary Shares of the Company equal to the lesser of (a) 20% of the annualised Shareholder Return Outperformance Rate and (b) 20% of the annualised High Water Mark Outperformance Rate; provided that, for purposes of the calculation and payment of the Incentive Shares, the following particularities will apply:

- a) the higher of (i) the liquidation value of the Company or the price offered for the equity of the Company in the takeover or sale, as applicable, and (ii) the EPRA Net Disposal Value of the Company as of the last day of the relevant Calculation Period shall be used for purposes of the calculation of the Shareholder Return, the Shareholder Return Rate, the Shareholder Return Outperformance Rate and the High-Water Mark Outperformance Rate;
- b) the relevant Calculation Period shall be deemed to have ended on the date the liquidation was approved by the shareholders of the Company or the takeover or sale was accepted by a majority of the shareholders of the Company, as applicable;
- c) consequently, the excess over 8% of the Shareholder Return Rate that is used as a key hurdle to determine if a Beneficiary is entitled to receive Incentive Shares for said Calculation Period shall be calculated on an annualised basis (e.g., if the Calculation Period for the Liquidation Event is of six months, the Shareholder Return Rate must be in excess of 3.92 % to comply with the key hurdle); and
- d) calculation and payment under the Employee Incentive Plan shall be made as soon as reasonably practicable after the last day of the relevant Calculation Period and the delivery of the Incentive Shares or the alternative cash amount will not be

subject to any Deferral Period.

If the Company determines (acting reasonably) that delivering any or all of the Incentive Shares to any Beneficiary on any relevant date is materially prejudicial to the Company for any reason, including as a result of any applicable law which prevents the delivery of Ordinary Shares on that date or if the delivery of Ordinary Shares to such Beneficiary would result in (i) such Beneficiary being required to make a mandatory offer to the shareholders of the Company pursuant to the applicable Spanish takeover rules or other applicable law, or (ii) the Company or such Beneficiary breaching the applicable Spanish takeover rules, or (iii) such Beneficiary becoming beneficially entitled to or controlling, directly or indirectly, at least 10% of the share capital or voting rights in the Company (despite such Beneficiary having used reasonable endeavours to dispose of sufficient Incentive Shares, where permitted by law, to avoid this occurring), or (iv) the Company breaching any applicable listing rules), then the Company shall instead pay any Incentive Shares under the Employee Incentive Plan to such Beneficiary in cash, in an amount equal to the result of multiplying the number of Incentive Shares that are not delivered for the abovementioned reasons times the volume-weighted average market price of the Ordinary Shares of the Company in the 5 days preceding the Vesting Date. Cash paid in lieu of Incentive Shares will not be subject to any re-investment obligation in the Company's shares.

The delivery of Incentive Shares upon the occurrence of a Liquidation Event together with any other Incentive Shares delivered pursuant to the Employee Incentive plan shall not exceed in the aggregate a maximum of 10% of the total Ordinary Shares of the Company issued and outstanding from time to time.

As a consequence of the foregoing, taking into account the outstanding share capital of the Company, under no circumstances, as long as it remains unchanged, may the percentage of Incentive Shares in any year, or in aggregate, exceed 8.1% of the Company's Ordinary Shares as of the date of formulation of this policy. Given the Company's level of maturity, under normal market conditions, a significant level of growth would be expected.

Additionally, if the Company determines (acting reasonably) that structuring the Employee Incentive Plan other than through the delivery of Incentive Shares and other

than in cash (e.g., through warrants, stock options, etc.) may be more beneficial to the Company or to the Beneficiaries (including, for taxation purposes), then the Company may, by decision of the Board of Directors following a proposal by the Nomination and Compensation Committee, structure the Employee Incentive Plan in such other manner.

If any change in the share capital of the Company arising from a reorganization, restructuring, scheme of reconstruction or arrangement, consolidation, subdivision, bonus issue, share buy-back or other capital reorganization or restructuring (a “Capital Restructuring”) occurs during any year which the Company or the Beneficiaries believe (acting reasonably) that the calculation or the amount of the Incentive Shares (if any) payable will change in respect of that or any subsequent year having regard to the basis of calculation of the Incentive Shares, the Company and the Beneficiaries shall negotiate in good faith to agree an appropriate adjustment to the calculation of the Incentive Shares payable in respect of that or any subsequent year. If a dispute or difference arises between the Company and the Beneficiaries in relation to the effect (if any) of a Capital Restructuring on any calculation of the Incentive Shares or in relation to what adjustment (if any) is appropriate, which they cannot resolve by mutual agreement within two months of the matter first being notified by one party to the other in writing, the matter shall be referred to an independent expert for determination.

Upon the expiration of the Term of the Incentive Plan on June 30, 2024 a new incentive plan may be approved in compliance with the Bylaws of the Company that provide that subsequent incentive plans for Directors or members of the Management Team payable in shares of the Company shall be approved by the General Meeting of Shareholders with the prior favourable report of the Board of Directors approved by a qualified majority consisting of all directors except one (i.e., in a Board of Directors of five members, the favourable report shall be approved by four directors; in a Board of Directors of six members, the favourable report shall be approved by five directors; and so on).

6.3 Other medium- and long-term incentives

Without prejudice to the above, executive directors will be entitled to participate in all the medium- and long-term incentive plans that the Company decides to implement at any given time.

6.4 Other remuneration and in-kind remuneration

Executive directors may receive other remuneration and certain in-kind remuneration including a private company car, a life insurance policy, a private medical insurance policy or contributions to pension plans.

6.5 Savings plan

The Company may implement a Savings Plan linked to survival at a certain age, permanent disability in the degrees of total, absolute and severe disability and death exclusively for executive directors for the purpose of supplementing their public Social Security benefits, under the conditions and terms established in the Regulations of the aforementioned Plan.

The Board, at the proposal of the Nomination and Compensation Committee, may approve the cancellation or early maturity of the Savings Plan, partially or totally, and may recognize financial compensation to the executive directors in the event of cancellation, provided that their accrued economic rights have not been forfeited as of said date. The aforementioned compensation may not exceed the accumulated funds in the Savings Plan that are subject to cancellation, giving the corresponding detail in the Annual Report on Directors' Remuneration, as the case may be.

6.6 Remuneration: expected in fiscal year 2022 and subsequent years

- Fixed remuneration: For the services agreed upon pursuant to the contract signed by the Company with the Chief Executive, the Company will pay the Chief Executive the gross annual amount of six hundred thousand euros (€600,000). For the services agreed upon pursuant to the contract signed by the Company with the CFO, the Company will pay the CFO the gross annual amount of three hundred and twenty-five thousand euros (€325,000). The increase in the fixed compensation of the CFO is due to the need to compensate the impact of the transformation of his/her employment contract into a service contract after accepting the position of CFO of the Company.

During the term of this Policy, these amounts may be updated annually according to CPI upon the approval by the Board of Directors. If applicable, these updates shall be

recorded in the relevant Annual Report on Directors' Remuneration, which shall be submitted to the general meeting for approval.

- **Bonus**: the Chief Executive and the CFO will participate in the Company's bonus plan. In accordance with this bonus plan, the Chief Executive and the CFO may be entitled to receive an annual bonus amount of up to 150% of his fixed annual remuneration, provided that the annually approved targets (fixed, intermediate and maximum) set in this Remuneration Policy are met, whose metrics will be verified by the Nomination and Compensation Committee and whose proposal must be approved by the Board, and that the payment of this bonus is also approved by the Board.

The parameters for measuring bonus objectives during the term of this remuneration policy are those detailed in section 6.2.1.

Notwithstanding the foregoing, at any time the Board may modify the objectives established for each fiscal year to reflect the Company's strategic priorities and ensure the alignment of incentives with value creation, shareholders' interests and long-term sustainable development.

- **Multi-year bonus remuneration**: the Chief Executive and CFO will be entitled to participate in the EIP and in the medium-and long-term incentive plans in accordance with the procedure set forth in the calculation of the EIP as detailed above.
- **In-kind remuneration and other benefits**: the contracts of the Chief Executive and the CFO provide for the payment of remuneration in kind and social benefits for a maximum amount of 45,000 euros and 24,000 euros, respectively. These benefits may consist of a company car (including leasing costs, or the corresponding one, insurance costs, repairs and vehicle maintenance costs), a life insurance policy and a private medical assistance insurance policy, as well as any additional social benefits provided for in the Collective Bargaining Agreement applicable to the Company, if any, and in any policy or practice of the Company applicable to its employees.
- **Savings Plan**: the Chief Executive and the CFO may participate in the Savings Plan established by the Company. The contributions in favor of the executive directors shall be approved by the Board, at the proposal of the Nomination and Compensation Committee, who may modify the contributions to adjust them to the evolution of the

business and the market. As of the date of approval of this Policy, the Board of Directors of the Company has not approved any contribution to the Saving Plan in favor of the Chief Executive and the CFO.

6.7 Main terms and conditions of the executive directors' contract

The essential terms and conditions of the executive directors' contracts are as follows:

- i. Term: indefinite, terminating pursuant to Spanish corporate and commercial law, the Articles of Association and paragraph (iii) below.
- ii. Exclusivity covenant: the Chief Executive and CFO must provide their services exclusively to the Company, such that he may not provide any type of direct or indirect services, under any type of legal relationship, to third parties, nor on his own behalf, even when the activities he carries out do not coincide with those of the Company. Administrative positions in companies that the Chief Executive or CFO controls or has an ownership interest in that do not require significant dedication and do not coincide with the activities of the Company are excluded.

However, provided that it does not (i) interfere with the responsibilities that the Chief Executive or CFO have towards the Company and it (ii) does not entail a breach of his Exclusivity Covenant with the Company, this Exclusivity Covenant will not prevent them from, as applicable:

- a. continuing to be the non-executive director of the companies that are listed in their executive's contract;
 - b. continuing to be the non-executive director of other companies provided that the Chief Executive or CFO obtain the express consent of the Company's Board: and,
 - c. Only for the Chief Executive, continuing to be the executive director of his investment companies (which, at the date of this document, are those included in the Chief Executive's contract) and performing the corresponding duties in those companies.
- iii. Reasons for termination and compensation: the executive director's contract may be terminated for the following reasons: (i) by mutual agreement; (ii) by unilateral decision of the executive director with a three-month advance warning under penalty

of having to compensate the Company with an amount equivalent to his fixed remuneration for the year in which the advance warning was breached, (iii) free will of the Company for any reason, including those established in the Articles of Association, even if it does not relate to a serious or culpable breach by the executive director; (iv) decision of the Company as a result of serious wilful misconduct or negligence in discharging his duties as executive director; and (v) structural modification or change of control.

Upon termination by the Company of the services agreement without the analogous grounds for termination applicable to executive directors rendering services under services agreements to what is considered a fair cause constituting a fair disciplinary dismissal (*despido disciplinario procedente*), as such term is defined in article 55 of the Spanish Workers' Statute (Real Decreto Legislativo 2/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Estatuto de los Trabajadores), or when the services agreement is terminated by the Company or the member of the Management Team within six months following: (i) a corporate reorganization (*modificación estructural*) pursuant to the Spanish Companies Act, (ii) a takeover of the Company or a sale of Ordinary Shares of the Company that results in a change of control (as the term "control" is used in Royal Decree 1066/2007, of July 27, of regime applicable to public takeovers (Real Decreto 1066/2007, de 27 de julio, sobre el régimen de las ofertas públicas de adquisición de valores; then the executive director and member of the Management Team will be entitled to a severance payment equal to two years of the salary received by such Beneficiary during the twelve months immediately preceding such termination. This salary includes the Fixed Remuneration, any Bonus and the Incentive Shares (or equivalent incentive cash payment), vested under the Employee Incentive Plan in the most recent Calculation Period preceding the termination of his or her employment or services agreement (whether or not subject to deferred settlement) provided that, if there had been a Liquidation Event in the last six months as a result of which a number of Incentive Shares had vested for the benefit of the Beneficiary which is greater than those vested in the most recent Calculation Period, only the vested Incentive Shares that represent the highest monetary value of the two shall be taken into consideration for the purposes of this calculation (the "Remuneration for termination purposes"). The

Remuneration for termination purposes shall not exclude salary reductions: (i) where expressly provided by law or applicable case law (e.g., as a result of maternity or paternity leave (baja de maternidad o paternidad), temporary sick leave (incapacidad temporal), care of family members leave (baja para el cuidado de familiares) or in the circumstances provided in the Nineteenth Additional Provision of the Spanish Workers' Statute); or (ii) due to wage reduction agreements linked to COVID-19 or other extraordinary circumstances.

Notwithstanding the above, in the event that upon the termination of the services relationship, the employment relationship which was suspended is reactivated, the provisions of the employment agreement shall apply.

- iv. Non-solicitation covenant: during the term of the Chief Executive's and CFO's contract and during the period of two years after the termination thereof, the Chief Executive and the CFO may not directly or indirectly, without the prior written consent of the Company, (i) solicit, induce or attempt to persuade in any other manner any customer or potential customer of the Company to terminate their relationship or potential relationship therewith, or (ii) hire or solicit, recruit, induce, persuade, influence or encourage any employee of the Company to leave.
- v. Covenant not to compete (CNC): during the term of his contract, the Chief Executive or the CFO may not directly or indirectly compete with the business or activities carried out or that will be carried out by the Company, with the sole exception of the existing commitments assumed by the Chief Executive as the non-executive director of Rodex Asset Management, S.L. and that are expressly indicated in the admission to listing perspectives of the Company's shares in the Spanish Stock Markets.
- vi. Minimum permanence commitment: Finally, the contract of the Chief Executive establishes the minimum permanence commitment, which must remain in force for at least five years as from the date of admission to trading of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Spanish Stock Exchange Interconnection System (SIBE). In this regard, in the event that the Chief Executive terminates his Contract with the Company without just cause before the end of the aforementioned minimum period of permanence, the Company shall be entitled to receive from him a compensation equivalent to the gross fixed

remuneration to which the Chief Executive would have been entitled to receive during the remaining time of the minimum period of permanence.

In the event that before the end of the minimum tenure period the Chief Executive is terminated as Chief Executive of the Company or his or her appointment as Chief Executive is not renewed or his or her contract is terminated by the Company, the Chief Executive shall be entitled to receive compensation equal to the gross fixed remuneration to which the Chief Executive would have been entitled to receive during the remaining time of the minimum tenure period. The Chief Executive shall be entitled to receive compensation equivalent to the gross fixed remuneration that he would have been entitled to receive during the remaining period of the Term of Office, with a minimum of two years' remuneration calculated as twice the last total annual remuneration received (including fixed remuneration, annual variable remuneration, medium and long-term incentive plans and social benefits). This amount will reduce euro for euro the termination compensation established for this case in paragraph (iv) below. This compensation would not apply in the case of dismissal or termination due to just cause.

7 NEW APPOINTMENTS

If during the term of the Remuneration Policy other directors with executive duties join the Board, their remuneration package (i.e.: remuneration components and their corresponding minimum and maximum limits) will be governed by the principles guiding paragraph 6.1, 6.2, 6.3, 6.4 and 6.5 of this Remuneration Policy, without prejudice to the particularities specific to their respective service contracts with the Company.

In this regard, when proposing the basic terms of the aforementioned contracts of service for approval by the Board, the Nomination and Compensation Committee must bear in mind, including, but not limited to, variables or aspects such as (i) the duties attributed to the new executive director; (ii) the level of dedication to the Company; (iii) the responsibilities they assume; (iv) their management, leadership and business strategy experience; (v) their professional career and value creation history; and (vi) their remuneration level at the time of appointment.

In the event that new non-executive members join the Board of Directors during the term of this Policy, the remuneration system described in section 5 above shall apply to them.

In any event, the recruitment of new Directors, whether Executive or Non-Executive, shall prioritize the hiring of women until the minimum recommended by the Code of Good Governance are reached (40% as from 2022). This condition will be considered as a priority by the Nomination and Compensation Committee when proposing candidates to replace current members of the Board of Directors who leave office for any reason. Given the current size of the Company, it is considered that the Board of Directors, in terms of the number of members and their skills, is appropriate and rational.

8 GOVERNANCE

8.1 Policy review and renewal

The Remuneration Policy of the Board of Directors of Árima shall be analysed and reviewed periodically by the Nomination and Compensation Committee, which shall submit to the Board of Directors the proposals for modification it deems necessary in accordance with the evolution of the Company and the market, as well as the adaptations required for compliance at all times with the regulations in force and the rules of good corporate governance.

Should the Remuneration Policy be reviewed, any significant changes will be described and explained as well as the voting results and any considerations on the Policy and on the Annual Reports on Directors' Remuneration, received from shareholders since the most recent resolution voted with regard to the Remuneration Policy at the General Meeting of Shareholders.

In any event, the Nomination and Compensation Committee shall ensure the correct interpretation and resolution of any conflicts of interest that may arise in connection with the application and review of the Remuneration Policy.

8.2 Oversight and implementation

The Board of Directors of Árima is responsible for establishing a system of control and supervision of the specific requirements of the Remuneration Policy applicable to the members of the Board of Directors to ensure compliance with and effective application of the precepts established in this Policy.

8.3 Exceptionality

The Company may apply, within the current regulatory framework, exceptions to all or any

of the remuneration items described in this Policy, depending on the particular needs of Árima's business.

In this regard, the application of such exceptions shall require a reasoned proposal from the Nomination and Compensation Committee, which must in all cases be analyzed and approved by the Board of Directors.

Likewise, any application of exceptional circumstances shall be duly recorded and explained in the corresponding Annual Report on Directors' Remuneration.

The exceptional circumstances mentioned in this section shall only cover situations in which the exception to the Remuneration Policy is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability.

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