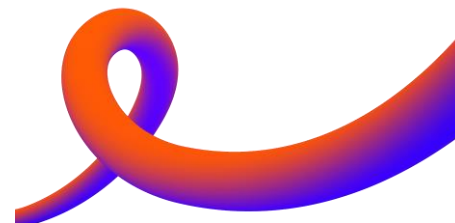


**ANNUAL REPORT ON THE FUNCTIONS AND ACTIVITIES OF  
THE AUDIT, CONTROL AND SUSTAINABILITY COMMITTEE**

**2022-2023**





## 1.- REGULATION

The Company's Audit, Control and Sustainability Committee ("the Committee") is regulated in article 17 of the Company's Articles of Association, in articles 14 and 16 of the Regulations of the Board of Directors, and in the Regulations of the Audit, Control and Sustainability Committee, according to the recommendations of the Technical Guide on Audit Committees of public interest entities, approved by the CNMV on 17 June 2017.

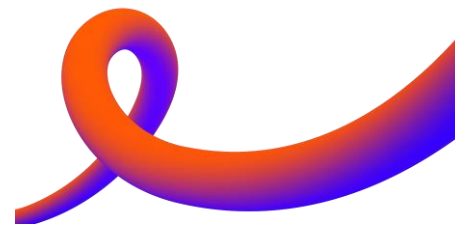
## 2.- COMPOSITION

As of 30 September 2023, the Committee has the following composition:

Position	Members	Date of appointment	Category
<b>Chairman</b>	Vacant	---	---
<b>Members</b>	Mr. Gregorio Marañón y Bertrán de Lis	09.06.2014	<b>Independent</b>
	Ms. Cristina Garmendia Mendizábal	09.06.2014	<b>Independent</b>
	Ms. Pilar Platero Sanz	24.03.2020	<b>Independent</b>
	Mr. David Tillekeratne	13.04.2023	<b>Proprietary</b>
<b>Non-Member Secretary</b>	<b>Ms. María Echenique Moscoso del Prado</b>	<b>19.12.2019</b>	-----

On 25 September 2023, Mr. Alain Minc gave notice by letter of his resignation as Director. The Board of Directors meeting held on 27 September took note of this resignation and, through the Appointments and Remuneration Committee, set in motion the necessary mechanisms to fill the vacancy.

In this context, Ms. Pilar Platero Sanz was appointed Chairwoman of the Audit, Control and Sustainability Committee at the first meeting of the Committee held after that date (7 November 2023), taking into consideration her status as an independent Director, as required by Logista's regulations, and her expertise in matters within the competence of the Committee, in particular in accounting matters.

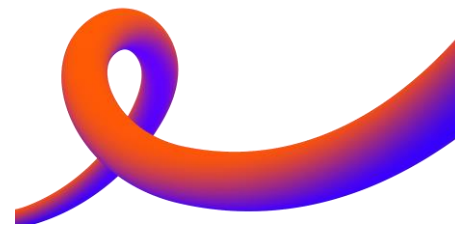


### 3.- FUNCTIONS

According to the aforementioned regulations, the Company's Audit, Control and Sustainability Committee has functions set out in the Capital Companies Act. Moreover, the Committee's Regulations have included those functions that are recommended in the CNMV's Technical Guide for Audit Committees of public interest entities. In addition, it should be noted that during the year, the Board has approved a new Sustainability Policy applicable to the entire Logista group, in which the powers of the Sustainability Committee have been strengthened, attributing to this body a key role in the promotion, supervision and control of the sustainability policy and strategic plans. Consequently, the Committee has been renamed the Audit, Control and Sustainability Committee.

Accordingly, and despite any other functions that may be additionally attributed to the Committee, its main functions may be summarized as follows:

- Supervision of the preparation process, integrity and submission of financial and non-financial information, particularly of the annual accounts, ensuring proper application of the accounting principles
- Supervision of internal control systems related to financial, non-financial and sustainability information
- Supervision and updating of the Company's risk control model, including tax and reputational risk (including corruption risks), watching for its effectiveness
- Advising the Board of Directors on sustainability issues, as well as promoting, supervising and controlling the sustainability policy and strategic plans as well as the stakeholder relations.
- Concerning the external auditor, to propose, where appropriate, their appointment and to watch for the proper performance of its functions, and the deployment of its Audit Plan, particularly ensuring its independence, and watching for the audit results to have no qualifications
- Concerning the Internal Audit function, which reports directly to the Committee itself, approving and supervising the implementation of the Internal Audit Plan, supervising the activities of the said Unit and watching for its independence, as well as assessing said function, setting the remuneration of the Corporate Director of Internal Auditing and approving the Unit's budget



- Supervision of the Company's corporate governance model and Internal Codes of Conduct, making proposals for improvement, particularly including the Group's compliance system and the Whistleblowing Channel
- Actions in the area of related-party transactions

## 4.- OPERATION

During the 2022-2023 financial year, the Company's Audit, Control and Sustainability Committee held six sessions.

The Committee had advanced sight of a schedule of operations over the course of the financial year, setting out the dates of the meetings and the various topics to be discussed.

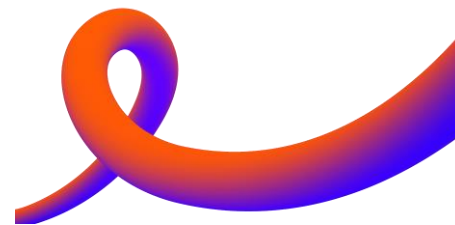
All meetings were called by the Secretariat of the Committee, at the request of its Chairman, with at least the notice set out in its Regulations. The documentation deemed necessary and relevant to deal adequately with the topics included in the respective agendas was distributed with the calls.

During the financial year, the meetings were generally held in-person at the company's offices, though occasionally, some members of the Committee had attended through videoconference mechanisms.

The meetings were attended by all the members. Both the Corporate Director of Internal Audit and the CFO have attended the Committee meetings as regular guests. The Chief Executive Officer was also present, having been invited by the Chairman, as were other members of the management team.

Finally, it must also be noted that the external Auditors appeared four times at the Committee; in November, for the closing of the yearly annual accounts; in February, for the supervision of the Q1 financial information, in May, for the supervision of the H1 interim results, and in July, for the review of the Q3 financial report, during which they presented an update of the relevant matters of the year, and their annual work for the next year.

In compliance with the Action Plan resulting from the Committees self-evaluation in year 2020, the Committee held its meetings the afternoon before the Board meeting, in order to better structure the debate times of both bodies, which has been highly satisfactory for all its members.



The self-assessment of the functioning of the Committee, based on the methodology used in the previous year by the external advisor engaged for this purpose, has concluded that the functioning of the Committee is highly satisfactory, although areas for improvement have been detected. The result of this self-assessment with regard to the exercise of the functions of the Chairman of the Commission is also highly satisfactory.

## **5.- ACTIVITIES**

During the 2022-2023 financial year, the Audit, Control and Sustainability Committee has been intensely active in performing its functions, exercising its powers and issuing whatever reports were required or which it was asked for. Its main areas of activity are summarized below. In this regard, it is worth highlighting the actions carried out in the areas of sustainability and compliance, where the Committee has promoted the process of certifying Logista's compliance model in accordance with international standards.

### **A. FINANCIAL STATEMENTS AND OTHER NON-FINANCIAL INFORMATION**

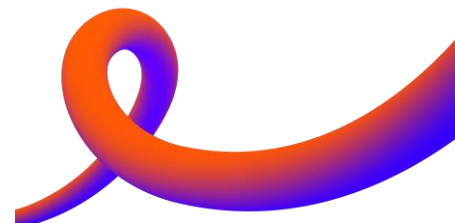
The Committee supervised the preparation process and the integrity of the financial and non-financial information, ensuring in particular, in relation to the former, the correct application of accounting principles and the appropriate determination of the scope of consolidation. It also supervised the presentation of results to the market. With regard to non-financial reporting, compliance with the Company's obligations in relation to the European taxonomy has been ensured.

### **B. RISKS AND FINANCIAL INFORMATION CONTROL SYSTEMS**

The Committee has ensured the proper functioning of the internal control system and, in particular, of the SCIFF. During the year, it also continued with the risk supervision model implemented in the previous year, through a complete quarterly monitoring of the risks affecting the Logista group, taking into account all the countries where it operates and the different types of entities and businesses, assessing their speed, the effectiveness of their mitigating controls and updating, where appropriate, the ranking of the risks identified based on their criticality.

### **C. INTERNAL AUDIT**

The Committee has ensured that the Internal Audit Directorate which reports directly to it, functioned properly. Its activities have been supervised four times during the year, and its annual Audit Plan has been approved and its implementation has been supervised. Likewise, it has ensured the independence of the function and that it has sufficient resources.



#### **D. SUSTAINABILITY, COMPLIANCE AND CORPORATE GOVERNANCE**

During the year, the Committee's activities have been particularly intense in the following areas:

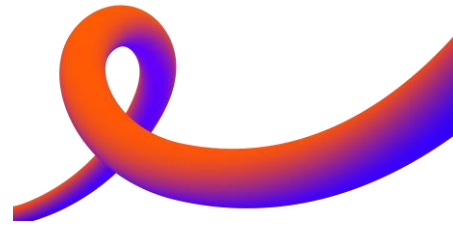
- (i) Proposal of a new Sustainability Policy, which includes the definition of a new governance model, reinforcing the Committee's powers in this area.
- (ii) Promotion of the certification of the group's compliance model in accordance with international standards.
- (iii) Adaptation of the Company's internal regulations to the new Sustainability Policy.

In relation to the first of these matters, the Board of Directors, at the proposal of the Committee, has agreed to update the Company's Sustainability Policy, reinforcing the Committee's functions of supervision and promotion in this area and defining a complete governance model for the Company's actions in this area. The new Policy, including its governance model, has been made public on the Company's website.

In the area of compliance, the Committee has promoted, through the group's Compliance Committee, the achievement of certification of the compliance model in accordance with the most demanding international standards. In particular, in September of this financial year, the certifications UNE-ISO 37001:2016 (anti-bribery management system), UNE 19601:2017 (criminal compliance management system) and the certification of the Whistleblower Channel management system by Bureau Veritas in accordance with the Guidelines of the UNE-ISO 37002:2021 Standard were obtained.

The intense activity carried out in the two previous fields has resulted, in the area of corporate governance, in the approval and updating of the group's various regulations. Thus, the Regulations of the Board of Directors and of the Committee itself have been updated to reflect the new functions in the area of sustainability, renaming the Committee in light of them. A new Criminal Compliance Policy has been approved to replace the existing Criminal Risk Prevention Manual. In addition, other rules have been updated, such as the group's Code of Conduct and its Anti-Corruption Policy, as well as the Statute of the Compliance Committee. With regard to taxation, a new tax policy was approved, which strengthens good practices in this area.

On the other hand, and in the context of its usual compliance practices, the group's Compliance Officer was present at all the Committee's meetings and reported, for supervision, the activities carried out in this area by the Group's Compliance Committee and by the local units, as well as all the complaints received through the Group's Whistleblower Channel. The Committee also approved the work Plan for the coming year.

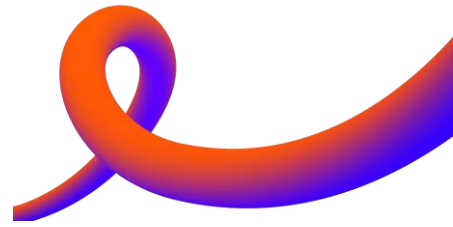


## **E. RELATED-PARTY TRANSACTIONS**

Following the entry into force of the recent amendment to the Capital Companies Act concerning related party transactions, the Committee has issued the reports provided for in the act, in relation to the related party transactions carried out by the Company with its reference shareholder, Imperial Brands, Plc, or companies of its Group. In this regard, it should be noted that in August 2023 an announcement was published on the CNMV website in which, in accordance with the provisions of the Capital Companies Act, an account was given of related party transactions with the controlling shareholder during the last 12 months.

## **F. SELF-ASSESSMENT OF ITS PERFORMANCE**

The Committee has evaluated its own performance during this financial year, in co-ordination with the Appointments and Remuneration Committee. The analysis made has concluded that the Committee's performance is highly satisfactory. Nevertheless, suggestions for improvement have been made, concerning operational issues, such as the frequency of reporting on sustainability and the extension of discussion times.



## **6.- CONCLUSION**

In view of the foregoing, it can be concluded that the Audit, Control and Sustainability Committee operated normally during the 2022-2023 financial year, fully exercising the functions it was entrusted without undue interference, with respect to both current regulations and its internal operating rules.

This Report is the one that was unanimously approved by the members of the Audit, Control and Sustainability Committee at its meeting of November 6<sup>th</sup>, 2023.

Leganés (Madrid), November 6<sup>th</sup>, 2023

The Secretary of the Committee,

María Echenique Moscoso del Prado