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**REPORT OF THE AUDIT, CONTROL AND SUSTAINABILITY  
COMMITTEE ON RELATED-PARTY TRANSACTIONS**

**2022-2023**

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**COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.**

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## 1.- LEGAL FRAMEWORK

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The Audit, Control and Sustainability Committee, under article 529 quaterdecies, (point 4, letter g) of the Spanish Companies Act has the function of, among others:

*“g) Report on related-party transactions to be approved by the general meeting or by the board of directors, and supervise the internal procedure established by the Company for those whose approval may have been delegated.”*

Furthermore, Article 529 duovices of the Companies Act, regulates the related party transaction approval regime under which is required the previous Audit and Control Committee report, without prejudice of the urgent or delegation approval requirements. The Audit and Control Committee's report aims to inform the Board if the transaction is fair and reasonable for the Companies and, if applicable, for the shareholders other than the related shareholders, and to report about the estimations and methodologies used for the transaction valuation in accordance with the Companies Act.

Additionally, it should be noted that, in accordance with Article 529 duovices.4 of the Companies Act, the Board of Directors, in its meeting of July 22<sup>nd</sup>, 2021, approved the delegation of the following related-party transactions approval in the Chief Executive Officer:

*“a) Transactions of 1 million euros or under of estimated turnover, between entities of the same Group, in the context of ordinary management and on an arm's length basis*

*b) Transaction arising from standardized contracts applicable to a big number of clients, at prizes or tariffs established in general by the supplier, and that do not exceed 0,5 per cent of the net revenues of the Company*

*The Chief Executive Officer will report to the first Audit & Control Committee held after the approval of the transaction of the use of this delegation, in such a way that the Committee may check the fairness and transparency of such transactions, and the compliance with the delegation's requisites.”*

Moreover, the Companies Act allows the Chief Executive Officer to approve certain related party transactions under urgent justify circumstances, which shall be ratified during the next Board Directors meeting.

In this sense, this report informs separately about the FY 2022-2023 related-party transactions, distinguishing between: (i) related-party transactions approved during such fiscal year and (iii) related-party transactions executed during such period.

## 2.- RELATED-PARTY TRANSACTIONS APPROVED IN 2022-2023

On 3 August 2023, and in accordance with the provisions of the Capital Companies Act, the Company published the corresponding "Other Relevant Information" on the website of the CNMV (Spanish Stock Market Commission), where it reported on the related-party transactions approved in the twelve months prior to that date, as the thresholds established in article 529 unicies 1 of the Capital Companies Act had been exceeded. A copy of the relevant fact is attached to this report as an annex.

## 3.- RELATED-PARTY TRANSACTIONS EXECUTED IN 2022-2023

According to the Company's Annual Accounts information, the most significant related-party transactions executed by the Company during the fiscal year 2022-2023, are shown in the table below:

Name or Company name of the shareholders or of any of its depending entities	%Shareholding	Name or Company name of the de company or depending entity	Nature of the relationship	Kind of transaction and other necessary information for its assessment	Amount (thousand euros)	Approving body	Identification of the significant shareholder or director who abstained from voting	The proposal to the AGM if any, has been approved by the board without a majority of independent directors voting against
Imperial Brands Plc	50.01	ALTADIS SAU	Commercial	Purchase of goods	375,141	Board of Directors	L. Blohm. J. Downing R. Hathaway M.McGowan J. Ramsey	N/A
Imperial Brands Plc	50.01	Imperial Brands Finance PLC	Contractual	Interests	82,885	Board of Directors	L. Blohm. J. Downing R. Hathaway M.McGowan J. Ramsey	N/A
Imperial Brands Plc	50.01	SEITA	Commercial	Purchase of goods	180,957	Board of Directors	L. Blohm. J. Downing R. Hathaway M.McGowan J. Ramsey	N/A
Imperial Brands Plc	50,01	Imperial Brands Italia, Srl	Commercial	Purchase of goods	112,933	Board of Directors	L. Blohm. J. Downing R. Hathaway M.McGowan J. Ramsey	N/A

Also, it is expressly declared that the Company maintains ordinary commercial and/or financial relationships with different companies of the Imperial Group, arising in previous financial years. Their scope is described in note 25 of the Consolidated Annual Accounts of the Company.

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## 4.- CONCLUSION

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In the cases in which the related-party transactions were approved by the Board of Directors, when submitting the transaction to the Board and the Audit, Control and Sustainability Committee for its prior report, the proprietary directors related to Imperial Brands Plc abstained from deliberating and voting. In all these transactions, the Audit, Control and Sustainability Committee has issued the mandatory prior report in which it has found that the transaction is fair and reasonable from the point of view of the Company and the shareholders other than the related party.

Likewise, in all the transactions approved by the Chief Executive Director by delegation, the Audit, Control and Sustainability Committee has supervised the internal procedure established by the Company for the related-party transaction approval delegation, and has verified fairness and transparency, and the compliance with all the legal requirements.

Regarding the related-party transaction approved by the Chief Executive Director under urgent justified circumstances, the Audit, Control and Sustainability Committee previously issued its favourable report to the Board of Directors for ratification.

The members of the Audit, Control and Sustainability Committee unanimously approved this report in its session of November 6<sup>th</sup>, 2023.

Leganés (Madrid), November 6th, 2023

The Audit, Control and Sustainability Committee's Secretary

María Echenique Moscoso del Prado

**ANNEX: REPORT OF AUGUST 3, 2023 TO CNMV (SPANISH STOCK MARKET COMMISSION) ON RELATED-PARTY TRANSACTIONS**

## TO THE NATIONAL SECURITIES MARKET COMMISSION

In compliance with article 227 of the Securities Market and Investment Services Act 6/2023, of March 17, Compañía de Distribución Integral Logista Holdings, S.A. (hereinafter, the Company) hereby announces the following

### OTHER RELEVANT INFORMATION

For the purposes of the provisions of article 529 unvicies of the refunded text of Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July, (hereinafter, "LSC"), the following related party transactions entered into between the Company and its majority shareholder Imperial Brands Plc, or companies of its group (hereinafter, "Imperial" or "Imperial group") are hereby disclosed, as the estimated aggregate value of such transactions with Imperial group in the last 12 months exceeded 2.5 per cent of the annual turnover, taking as a reference for these purposes the value reflected in the latest consolidated accounts of the Company approved by the General Shareholders Meeting:

- **Date: 26/09/2022.** Transaction: Contract for the provision of commercial services for brand activation, development and communication of sales campaigns in Portugal. Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda. Value: [REDACTED]
- **Date: 27/10/2022.** Transaction: Contract for the provision of distribution services for tobacco products other than cigarettes in Italy. Counterparty: Imperial Tobacco International GmbH. Estimated value: [REDACTED]
- **Date: 07/02/2023.** Transaction: Contract for the reservation of slots for Imperial brands in vending machines in Portugal. Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda. Estimated value: [REDACTED]
- **Date: 13/02/2023.** Transaction: Contract for the provision of commercial information services (sell-in) in Portugal. Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda. Value: [REDACTED]
- **Date: 13/02/2023.** Transaction: Addendum to the tobacco distribution contract for the distribution of HnB device. Counterparty: Imperial Tobacco Polska, S.A. Estimated value: [REDACTED]
- **Date: 27/02/2023.** Transaction: Modification of the storage and distribution contract, to provide labelling services. Counterparty: Imperial Tobacco Polska, S.A. Estimated value: [REDACTED]

- **Date: 04/05/2023.** Transaction: Modification of the tobacco distribution contract for the distribution of NGP in France. Counterparty: Société Nationale d'Exploitation Industrielle des Tabacs et Allumettes ("Seita"). Estimated value: [REDACTED]
- **Date: 11/05/2023.** Transaction: Contract for the provision of commercial services for brand activation, development and communication of sales campaigns in Portugal. Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda. Value: [REDACTED]
- **Date: 03/08/2023** Transaction: Amendment of the Intragroup Loan Facility Agreement to increase its limit to EUR 3 billion. Counterparty: Imperial Brands Finance PLC and Imperial Brands PLC. Value: EUR 400 million, due to increase of the limit from EUR 2.6 billion to EUR 3 billion.

In relation to the above transactions, the following should be noted:

1. Pursuant to the provisions of article 529 duovicies.4 a) of the LSC, and in accordance with the resolution of the Board of Directors on 22/07/2021, delegating to the CEO the approval of related-party transactions carried out between companies of the same group within the scope of ordinary management and under market conditions up to a EUR 1 million, **the following transactions were approved by the CEO and have been reported to the Audit and Control Committee:**
  - Transaction: Contract for the provision of commercial services for brand activation, development and communication of sales campaigns in Portugal. Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda. Reported to the Audit and Control Committee on November 2, 2022.
  - Transaction: Contract for the provision of distribution services for tobacco products other than cigarettes in Italy. Counterparty: Imperial Tobacco International GmbH. Reported to the Audit and Control Committee on November 2, 2022.
  - Transaction: Contract for the provision of commercial information services (sell-in) in Portugal. Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda. Reported to the Audit and Control Committee on July 20, 2023
  - Transaction: Addendum to the tobacco distribution contract for distribution of HnB device. Counterparty: Imperial Tobacco Polska, S.A. Reported to the Audit and Control Committee on July 20, 2023
  - Transaction: Modification of the storage and distribution contract, to provide labelling services. Counterparty: Imperial Tobacco Polska, S.A. Reported to the Audit and Control Committee on July 20, 2023
  - Transaction: Contract for the provision of commercial services for brand activation, development and communication of sales campaigns in Portugal. Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda. Reported to the Audit and Control Committee on July 20, 2023

2. With regard to the other related-party transactions listed below, **the Audit Committee**, prior to approval by the Board of Directors of the Company, on the date indicated for each transaction, **has reported favourably on all transactions, the reports of which are attached hereto:**

- a) Transaction: Contract for the reservation of slots in vending machines.  
Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda.  
Date of the Audit and Control Committee report: February 6, 2023.
- b) Transaction: Modification of the tobacco distribution contract for the distribution of NGP Blu in France. Counterparty: Société Nationale d'Exploitation Industrielle des Tabacs et Allumettes ("Seita"). Date of the Audit and Control Committee report: May 3, 2023

3. Pursuant to the provisions of article 529 ter.2, in relation with article 529 ter.1 h) of the LSC, the **following related-party transaction was approved as a matter of urgency by the CEO:**

- Transaction: Amendment of the Intragroup Loan Facility Agreement to increase its limit to €3 billion. Counterparty: Imperial Brands PLC and Imperial Brands Finance PLC. Value: €400 million, due to the increase of the maximum drawdown limit from €2.6 billion to €3 billion.

It is recalled that, as reported by the Company, the Intragroup Loan Facility Agreement is a reciprocal credit facility agreement between the Company and the above-mentioned counterparties for the lending of surplus cash. The agreed amendment consists of three points:

- a) Extension of the drawdown limit from EUR 2.6 billion to EUR 3 billion (additional EUR 400 million).
- b) Modification of the reference base rate from the European Central Bank's base rate to Euribor, maintaining the spread of 0.75%.
- c) These new conditions shall enter into force on 12 June 2024. Until 12 June 2027 the Agreement shall be binding on both parties, and from that date the agreement shall be indefinite with tacit annual renewals unless terminated by either party with six months' notice.

Bearing in mind that the changes that have taken place

- (i) continue offering an attractive level of remuneration for cash surpluses, taking into account the average market remuneration, calculated with the assistance of external financial institutions,
- (ii) that, in view of the projections made, it is estimated that the change in the benchmark does not have a significant impact on the overall remuneration to be received; and

(iii) that Imperial's credit rating (BBB - Baa3), awarded by the main external rating agencies, together with its future outlook (Stable), adequately supports the enlargement

the above transaction has been considered to be fair and reasonable from the perspective of the Company and its shareholders other than Imperial.

It should also be noted that, in accordance with the provisions of art. 529 ter.2, the transaction will be submitted for ratification by the first Board of Directors meeting held after the date of approval.

In relation to the transactions reported in points 1 and 2 above, it is expressly stated that, in view of their nature as strictly commercial transactions and in order to protect the interests of the Company as well as competition in the market, confidential commercial information of a sensitive nature taken into account to authorize the transactions is omitted from the aforementioned reports.

In Leganés (Madrid), on August 3<sup>rd</sup>, 2023

Compañía de Distribución Integral Logista Holdings

María Echenique Moscoso del Prado Secretary

of the Board of Directors



REPORTS OF THE  
AUDIT AND CONTROL COMMITTEE  
ON RELATED PARTY TRANSACTIONS (\*)

*(\*) Material business data have been omitted, the publication of which could harm the interests of the Company and market competition.*

- **Transaction 2(a): Contract for the reservation of slots in vending machines.**  
**Counterparty: Imperial Tobacco Portugal SPPLC-Sociedade Unipessoal, Lda.**
  - Estimated value: €2,750,000.
  - Date of the report of the Audit and Control Committee: February 6, 2023

## REPORT OF THE AUDIT COMMITTEE ON RELATED PARTY TRANSACTIONS

### TRANSACTION:

Contract guaranteeing the availability of [REDACTED] slots in tobacco vending machines.

### DATE:

6 February 2023

### NATURE OF THE TRANSACTION:

Contract for the provision of services.

### COMPANY OF LOGISTA'S GROUP INVOLVED IN THE TRANSACTION:

MidSid-Sociedade Portuguesa de Distribuição, S.A. ('MidSid')

### RELATED PARTY AND RELATIONSHIP:

Imperial Tobacco Portugal SPPLC - Sociedade Uniperssoal, Lda. ("Imperial Portugal"), an entity belonging to the Imperial Brands, Plc. group of companies ("Imperial"), the controlling shareholder of Compañía de Distribución Integral Logista Holdings, S.A. (the "Company").

### VALUE OF THE TRANSACTION:

[REDACTED]

### EVALUATION OF THE AUDIT COMMITTEE:

The Audit Committee considers that the transaction is fair and reasonable from the point of view of the Company and the shareholders other than the related party, based on the following assumptions:

- 1st. The transaction is entered into in the ordinary course of MidSid's business.

2nd. The terms of the transaction are considered reasonable, insofar as they are on terms comparable to those of other similar contracts that MidSid has in force with other operators similar to Imperial Portugal.

In the ordinary course of business, the Company has regular business relationships with leading tobacco product manufacturers, including Imperial. The Company's business relationship with Imperial is maintained on terms similar to those applied to other market operators, under the terms set out in the *ITG-Logista Holdings Relationship Framework Agreement* of 12 June 2014 (hereinafter, the "Framework Agreement"), which was duly disclosed in the prospectus for the offer for sale and admission to trading of the Company's shares in 2014, as well as in the Company's Annual Corporate Governance Reports since then.

Among other aspects, by virtue of the Framework Agreement, the Company has full management authority and independence to establish and maintain its commercial relations with Imperial and with third parties, primarily in the Company's interest, in strict compliance with the principles of neutrality, non-discrimination and transparency, and it is also established that all related transactions between the Company and Imperial must be carried out under standard market conditions between two independent operators.

In addition, the Audit Committee considers that, in view of the characteristics of the market in which the Company operates, in which certain tobacco manufacturers concentrate very significant aggregate market shares, the price or price-linked data on the related-party transactions reported are of a very sensitive commercial nature.

In view of the foregoing, the Audit Committee considers that the safeguarding of the Company's interests requires that the public announcement of this related-party transaction that, if applicable, must be made, pursuant to the provisions of article 529 *unvicies* of the Consolidated Text of the Spanish Companies Act, must omit that information of the transaction with commercial and/or strategic value for the Company, the public disclosure of which would harm the corporate interest, insofar as it would reduce its negotiating capacity with other market operators and would reveal sensitive commercial information on its operations.

Notwithstanding the foregoing, the Company has verified that the transaction has been entered into on market terms and conditions and on the basis of the contracts that the Company has in force with other operators similar to Imperial. The Committee considers that this method of comparison is the most appropriate in view of the characteristics of the market concerned, having ensured that the related party has not had access to sensitive commercial information of other operators.

This has led the Committee to conclude that the transaction is fair and reasonable from the point of view of the Company and the non-related shareholders.

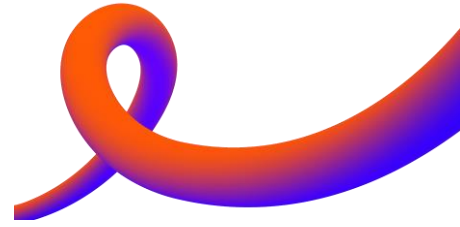
## **THE COMMITTEE REPORTS:**

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### Vending Machine Channel Distribution Contract with Imperial Tobacco Portugal SPPLC – Sociedade Unipessoal Lda.

- Authorization is requested to sign the contract of presence in our Vending Machines with Imperial Tobacco Portugal SPPLC – Sociedade Unipessoal, Lda. (hereinafter, Imperial Portugal), for 2023.
- MIDSID annually negotiates all Channels (distribution) and visibility (Share of Facings) in Vending Machines Operated with main Tobacco Manufacturers. For 2023, MIDSID has reached an agreement with Imperial Portugal, to assure presence of their brands in [REDACTED] slots ([REDACTED] in 2022). The agreement settled a value per slot of [REDACTED] which represents an annual contract of [REDACTED]
- Key contractual points:
  - 1 year duration
  - Yearly fees per slot in market conditions;
  - Annual revenues: [REDACTED] /year
- MIDSID provides these commercial services for different tobacco manufacturers in Portugal, such as [REDACTED]. The price range per channel varies from [REDACTED]. The price charged to Imperial Portugal is [REDACTED]
- The agreement has been negotiated on the ordinary course of the Company's business and has been agreed at arm's-length and in market conditions. On that basis, the transaction is considered fair and reasonable for the Company and its shareholders other than the Imperial Brands group.
- The Report from the Audit and Control Committee on this transaction is attached as Annex 1.

**The Audit and Control Committee is requested to issue a favorable opinion on the transaction and to approve the attached report.**



- **Transaction 2(b): Modification of the tobacco distribution contract for the distribution of NGP in France.** Counterparty: Société Nationale d'Exploitation Industrielle des Tabacs et Allumettes ('Seita').
  - Estimated value: [REDACTED]
  - Date of the Audit and Control Committee report: May 3, 2023.

## REPORT OF THE AUDIT COMMITTEE ON RELATED PARTY TRANSACTIONS

### TRANSACTION:

Distribution contract for electronic cigarettes, consumables and accessories marketed under the [REDACTED] brand in France.

### DATE:

3 May 2023

### NATURE OF THE TRANSACTION:

Contract for the provision of services.

### COMPANY OF LOGISTA'S GROUP INVOLVED IN THE TRANSACTION:

Logista France SAS ("Logista France")

### RELATED PARTY AND RELATIONSHIP:

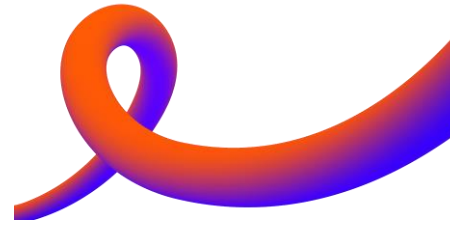
Société Nationale d'Exploitation Industrielle des Tabacs et Allumettes ("Seita"), an entity belonging to the Imperial Brands, Plc. group of companies ("Imperial"), the controlling shareholder of Compañía de Distribución Integral Logista Holdings, S.A. (the "Company").

### VALUE OF THE TRANSACTION:

[REDACTED]

### EVALUATION OF THE AUDIT COMMITTEE:

The Audit Committee considers that the transaction is fair and reasonable from the point of view of the Company and the shareholders other than the related party, based on the following assumptions:



1st. The transaction is concluded in the ordinary course of business of Logista France.

2nd. The terms of the transaction are considered reasonable in so far as they are on terms comparable to those of other similar contracts that Logista France has in force with other operators similar to Seita. Logista France's margin on this transaction is [REDACTED] whereas the margin on similar contracts with other similar operators varies between [REDACTED] depending on the volume.

In the ordinary course of business, the Company has regular business relationships with leading tobacco product manufacturers, including Imperial. The Company's business relationship with Imperial is maintained on terms similar to those applied to other market operators, under the terms set out in the *ITG-Logista Holdings Relationship Framework Agreement* of 12 June 2014 (hereinafter, the "Framework Agreement"), which was duly disclosed in the prospectus for the offer for sale and admission to trading of the Company's shares in 2014, as well as in the Company's Annual Corporate Governance Reports since then.

Among other aspects, by virtue of the Framework Agreement, the Company has full management authority and independence to establish and maintain its commercial relations with Imperial and with third parties, primarily in the Company's interest, in strict compliance with the principles of neutrality, non-discrimination and transparency, and it is also established that all related transactions between the Company and Imperial must be carried out under standard market conditions between two independent operators.

In addition, the Audit Committee considers that, in view of the characteristics of the market in which the Company operates, in which certain tobacco manufacturers concentrate very significant aggregate market shares, the price or price-related data, as well as other relevant commercial conditions, on the reported related-party transactions are of a very sensitive commercial nature.

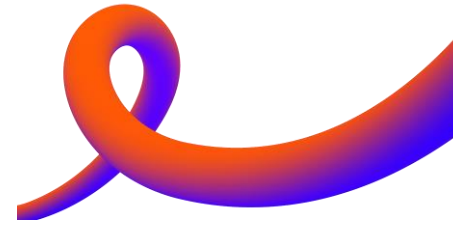
In view of the foregoing, the Audit Committee considers that the safeguarding of the Company's interests requires that the public announcement of this related-party transaction that, if applicable, must be made, pursuant to the provisions of article 529 *unvicies* of the Consolidated Text of the Spanish Companies Act, must omit that information of the transaction with commercial and/or strategic value for the Company, the public disclosure of which would harm the corporate interest, insofar as it would reduce its negotiating capacity with other market operators and would reveal sensitive commercial information on its operations.

Notwithstanding the foregoing, the Company has verified that the transaction has been entered into on market terms and conditions and on the basis of the contracts that the Company has in force with other operators similar to Imperial. The Committee considers that this method of comparison is the most appropriate in view of the characteristics of the market concerned, having ensured that the related party has not had access to sensitive commercial information of other operators.

This has led the Committee to conclude that the transaction is fair and reasonable from the point of view of the Company and the non-related shareholders.

**THE COMMITTEE REPORTS:**

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## Description

Logista | Opinion on a Related Party Transaction

### NGP [REDACTED] distribution Contract with Imperial subsidiary's SEITA

- Authorization is requested to sign **NGP [REDACTED] distribution** agreement in France, by Logista France, with Imperial subsidiary's SEITA to renovate the current distribution agreement (electronic devices, consumables, disposables and accessories), which started on March 1<sup>st</sup> 2021.
- Key contractual points:
  - One (1) year duration, from May 2023 until May 2024, though the tariff will be applied retroactively also to services provided from March-May 2023, under the extension of the former agreement.
  - Same terms and conditions as the previous agreement except tariffs update.
  - [REDACTED] along the one-year contract duration (*estimation based on Q1 CY 23 actuals*).
- Logista France provides these commercial services for different tobacco manufacturers in France such as [REDACTED]
- The agreement has been negotiated on the ordinary course of the Company's business and has been agreed at arm's-length and in market conditions. On that basis, the transaction is considered fair and reasonable for the Company and its shareholders other than the Imperial Brands group. In this regard, it is stated that the average margin of other similar agreements made by **Logista France** to other equivalent third parties is [REDACTED]

**The Audit and Control Committee is requested to issue a favorable opinion on the transaction**