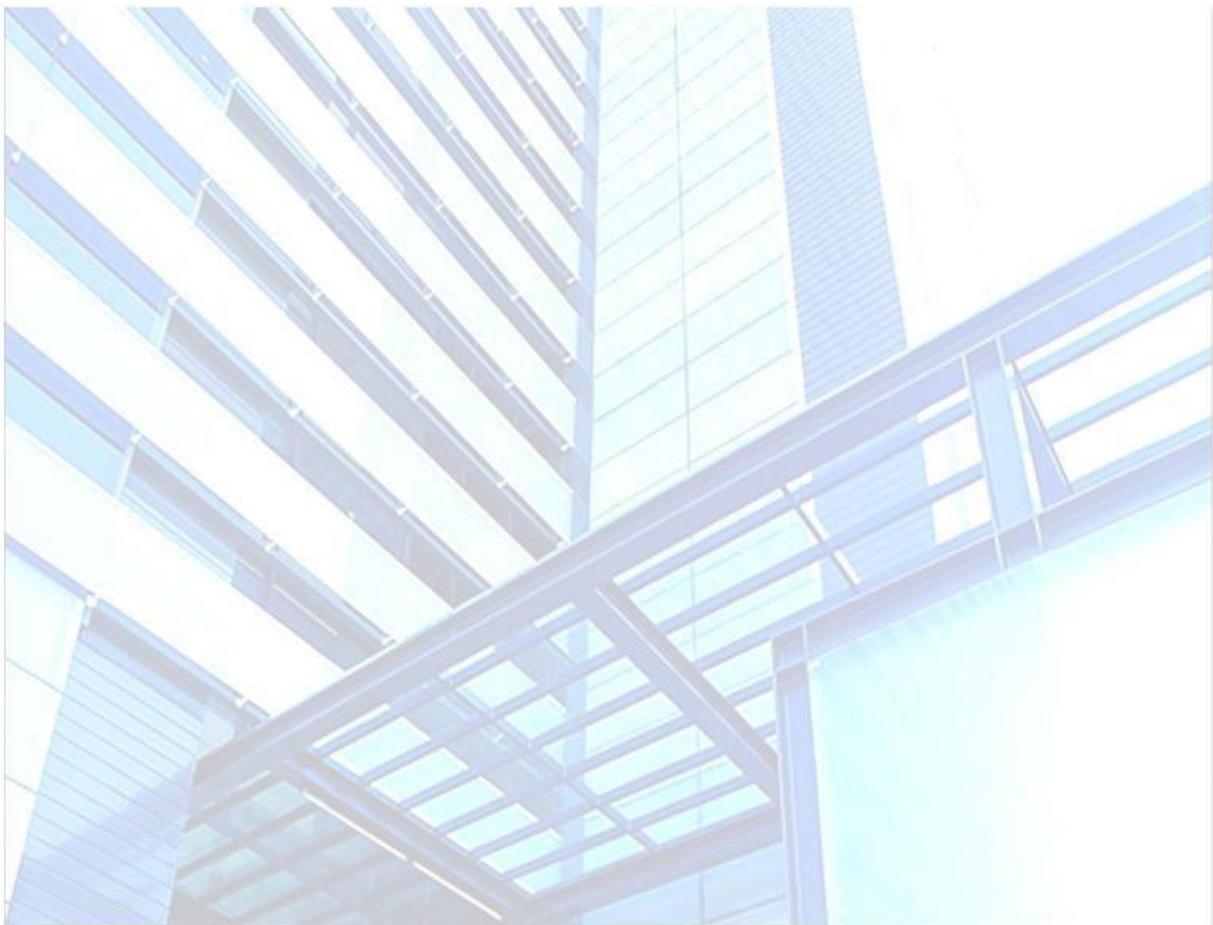


**INTERNAL CODE OF CONDUCT FOR  
THE SECURITIES MARKET  
INMOBILIARIA COLONIAL, SOCIMI, S.A.**



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**PRELIMINARY TITLE**  
**INTRODUCTION, PURPOSE AND AMENDMENT OF THE RULES**

**ARTICLE 1. Purpose**

The purpose of this Internal Code of Conduct (the “**Rules**”) is to contribute to the protection of investors and other members of the financial system by increasing transparency and the quality of the information that Inmobiliaria Colonial, SOCIMI, S.A.

, S.A. (hereinafter “**Colonial**” or the “**Company**”) must report to the market, thus ensuring that all participants are able to form sound and reasonable judgments regarding their investment or divestment decisions. These Rules, therefore, hereby establish a series of mandatory guidelines that affect the persons referred to in Article 4 of these Rules.

**ARTICLE 2. Content and Modification of the Rules**

These Rules incorporate and adapt the Company’s internal workings to the standards of conduct described in *Royal Legislative Decree 4/2015, dated 23 October, which approved the revised text of the Securities Exchange Act* (“**Securities Exchange Act**”), as well as in other regulations.

Furthermore, these Rules include the recommendations made by the competent bodies or national authorities in the securities market field regarding treasury shares.

The contents of these Rules are subject to the provisions of the Securities Exchange Act and other applicable regulations, as well as to the obligations and/or requirements imposed by Spain’s National Securities Market Commission (“**CNMV**”).

The Rules may only be validly modified by the Board of Directors, the majority of the Directors present at the meeting voting in favor of any modifications.

The Regulatory Compliance Division is responsible for monitoring and enforcing these Rules. As part of its functions, this Department will make the necessary means available to make certain that its content is known, understood and accepted by all persons to whom it may be applicable.

**TITLE I**  
**DEFINITIONS AND SCOPE OF THE RULES**

**ARTICLE 3. Definitions**

For the purposes of these Rules, the following definitions will apply:

**Company Administrators.** The members of the Board of Directors of Colonial, including the Secretary, Vice-Secretary, and, where applicable, the General Counsel.

**External Advisors.** Those individuals or legal persons who are not Administrators, Executives or Employees that provide financial, legal or consultancy services, or that provide any other type of service to any of the companies in Grupo Colonial, either on their own behalf or on the behalf of others, and as a result, may have access to Privileged Information.

**Executives and Employees of Grupo Colonial.** The members of the Board of Directors of Colonial, as well as those that are part of the “Legal Counsel Department,” “Internal Audit”, or “Financial Management” and all staff of the Company and Grupo Colonial, in the judgment of the Regulatory Compliance Division or, where applicable, of the Managing Director of the Company, who have access to Privileged Information. For these purposes, all persons who, while not a member of the Board, have regular access to Privileged Information relating, directly or indirectly, to any of the companies within Grupo Colonial and have the means to adopt management decisions that affect the future developments and business prospects of any company in Grupo Colonial shall be considered Executives by the Regulatory Compliance Division. **[NOTE: Art. 3.25 of Regulation (EU) 596/2014 on market abuse]**

However, for these purposes, the definition of “Executives and Employees of Grupo Colonial” will not include managers and employees of foreign companies who are part of Grupo Colonial and that have their own standards of good governance in the securities market field.

**Confidential Documents.** Any document, whether written, computer-based, or any other type, that contains Privileged Information.

**Grupo Colonial.** Inmobiliaria Colonial, SOCIMI, S.A.

S.A. and all of its subsidiaries and affiliated companies that fulfill the conditions of Article 42 of the Commercial Code.

**Privileged Information.** All information of a specific nature which refers directly or indirectly to any of the companies in Grupo Colonial, or any to any stock or financial instrument (including those for which an application has been completed to begin trading in a market or organized trading system) which has not been made public and which, if made public, could have a significant effect on the prices of such Stocks or Financial Instruments in a market or organized trading system. **[NOTE: adaptation of the definition of Art. 7.1 of Regulation (EU) 596/2014 on market abuse]**

Pursuant to the provisions listed in the previous paragraph, in addition to the variation of prices with respect to Stocks and Financial Instruments, price variations for financial derivatives are also included in this concept.

The information will be considered specific if it indicates a set of circumstances which exists or may

reasonably be expected to occur, or an event which has occurred or may reasonably be expected to occur when this information is specific enough to allow a conclusion to be reached regarding the possible effect that that set of circumstances or events may have on the prices of Stocks and Financial Instruments and, where applicable, derivative financial instruments related to them.

**Material Information/Fact.** All information and facts will be considered material if knowledge of this information or these facts may reasonably affect an investor to purchase or sell Stocks or Financial Instruments issued by Colonial or any of its subsidiaries and therefore may significantly influence their price on the secondary market.

**Covered Persons.** In general, anyone to whom all or part of the Rules described in Article 4 apply .

**Associated Persons.** Persons who have a connection with Covered Persons:

- (i) their spouses or persons in a similar relationship, pursuant to national legislation;
- (i) their dependent children;
- (ii) relatives who live with a Covered Person or who are dependent on them in, at least, the year prior to the transaction;
- (iii) any legal person, association or any fiduciary business in which the Covered Persons, or the persons named in the previous points, occupy a management position; are responsible for its management; are directly or indirectly controlled by said person; have been created for their benefit; whose economic interests are largely similar to those of said person; **[NOTE: adaptation of Art. 3.26 of Regulation (EU) 596/2014 on market abuse]**
- (iv) **[any person who, in his/her own name, engages in transactions connected with Stocks or Financial Instruments on behalf of a Covered Person. Those for whom the Covered Person fully or partially covers the risks inherent in these transactions shall be considered Associated Persons.]**

**Chief of Treasury Shares.** The Company executive to whom the Board of Directors delegates the powers and authority necessary to execute the Company's stock repurchasing policies and, in particular, to comply with the obligations of Articles 14 to 16 of these Rules.

**Stocks and Financial Instruments.** The following Stocks and Financial Instruments are governed by these Rules:

- (i) Stock issued by any of the companies in Grupo Colonial and the securities equivalent to said stock, as well as any other type of negotiable securities that may be acquired through conversion or by exercising the rights that they confer, which can be traded on the stock market or other organized secondary market or for which a request has been made to begin trading in said markets.
- (ii) Bonds issued by any of the companies in Grupo Colonial or any other securities that acknowledge or create debt, which can be traded on the stock market or other organized secondary markets or for which a request has been made to begin trading in said markets.

- (iii) Financial instruments and contracts whose cores are Stocks or Financial Instruments that have been issued by any of the companies in Grupo Colonial or that grant the right to acquire or subscribe to said stock.
- (iv) Financial instruments that, upon maturity, grant the unconditional right or the discretionary power to acquire, exclusively on the holder's own initiative and pursuant to formal agreement, previously issued shares which grant voting rights in any of the companies in Grupo Colonial whose stock is traded on an official secondary market or any other regulated market registered in the European Union.
- (v) Financial instruments, not included in paragraph (iv) above, which are associated with the stock mentioned therein and have a similar economic effect as those financial instruments, regardless of whether they may be liquidated upon physical presentation of this stock.
- (vi) Pursuant to the provisions in Chapter One of Title II of these Rules ("Rules of Conduct" – "Regarding Privileged Information"), those securities, contracts and financial instruments issued by other companies which give access to Privileged Information shall also be considered Stocks and Financial Instruments.

#### **ARTICLE 4. Scope of Application**

1. Unless otherwise expressly stated, these Rules shall apply to the following persons ("**Covered Persons**"):
  - (i) The Administrators of Colonial.
  - (ii) The Executives and Employees of Colonial.
  - (iii) External Counsel that must be temporarily or permanently included in the scope of application of these Rules according to the Regulatory Compliance Division or, where applicable, the Managing Director of the Company.
  - (iv) Any other person required to be temporarily or permanently included in the scope of application of these Rules according to the Regulatory Compliance Division, or, where applicable, the Managing Director of the Company.

These Rules, therefore, will apply to the administrators, executives and employees of the companies in Grupo Colonial that the Regulatory Compliance Division considers opportune.

**[**When a Covered Person is a legal entity, the obligations in Chapter One of Title II of these Rules will apply equally as they do to those individuals who participate in activities with access to Privileged Information. **]** **[NOTE: Art. 8.5 of Regulation (EU) 596/2014 on market abuse]**

2. The General Counsel will at all times maintain an updated list of the Covered Persons, which will be available to the corresponding administrative authorities.
3. The Stocks and Financial Instruments referred to in Article 3 above as Stocks and Financial Instruments fall within the scope of these Rules.

**TITLE II**  
**RULES OF CONDUCT**

**CHAPTER ONE. REGARDING PRIVILEGED INFORMATION**

**ARTICLE 5. Prohibited Activities**

All Covered Persons with access to Privileged Information shall refrain from, either on their own behalf or for others, directly or indirectly, the following conduct:

- (i) Prepare, **[** perform, cancel or modify any type of operation regarding Stock or Financial Instruments to which the information refers, or recommend to another party that they prepare, perform, cancel or modify any type of **]** operation regarding Stock or Financial Instruments to which the Privileged Information refers. Those actions regarding operations whose existence constitutes, in itself, Privileged Information, as well as operations that are performed in compliance with an expired obligation to acquire or dispose of stock or financial instruments when this obligation is included in an agreement concluded before the Covered Person was in possession of said Privileged Information, as well as other operations carried out in accordance with applicable regulations, are exempt. **[NOTE: Art. 8.5 of Regulation (EU) 596/2014 on market abuse]**
- (ii) Disclose said information to third parties, except in the normal course of their work, profession or position within the Company or in connection therewith.
- (iii) Recommend to a third party to acquire **[**, transmit **]** or transfer Stock or Financial Instruments or have someone else acquire **[**, transmit **]** or transfer Stock or Financial Instruments based on that information. **[NOTE: Art. 8.5 of Regulation (EU) 596/2014 on market abuse]**

**ARTICLE 6. Treatment of Privileged Information and Confidential Documents**

- (i) **Duty to safeguard:** Any person who has access to Privileged Information has the obligation to safeguard it, without prejudice to their duty to communicate and collaborate with the legal and administrative authorities in the terms provided in the applicable regulations, in particular, the Securities Exchange Act and other development provisions. Consequently, those who have access to Privileged Information shall take appropriate measures to prevent such information from being subject to abusive or unfair use and, where applicable, shall immediately take the necessary measures to correct the consequences that may result from them. In particular, these persons shall adopt measures so that External Counsel may adequately safeguard the Privileged Information that they may have access to while rendering services to the Company.
- (ii) **Control measures:** While exercising the duty to safeguard Privileged Information referred to in the preceding paragraph, all persons covered by these Rules must pay special attention to the treatment of confidential documents.

In particular, during the study and negotiation phases of any type of legal or financial operation that could have a significant effect on the price of the Company's Stock or Financial Instruments or the price of the Stock or Financial Instruments of any other company in Grupo Colonial, the Company has the obligation to:

- (a) Limit the knowledge of the information strictly to those persons, internal or external,

for which it is essential (insiders) and, consequently, to deny access to such information to persons other than those who must have said information to carry out their functions.

- (b) Keep records for each transaction in compliance with the applicable regulations at all times.
- (c) Expressly warn the persons included in the registry referred to in part (b) above of the privileged nature of the information, their duty to maintain confidentiality, the prohibition to use the information, the offenses and penalties associated with improper use of the information, of its inclusion in the registry and other circumstances pursuant to the applicable regulations on the protection of personal data.
- (d) Establish security measures for the custody, filing, access, reproduction and distribution of the information.
- (e) Monitor developments in the Stock and Financial Instrument market and the news that professional broadcasters of economic information and the mass media may issue and that may affect them.
- (f) Immediately report a significant event that clearly and precisely reveals the status of the operation or that contains a preview of the information to be supplied, pursuant to Article 9 of these Rules, when abnormal changes to the volumes being purchased or prices being negotiated occur and there are rational indications that these changes are occurring as the result of a premature, partial or distorted report of the operation.

#### **ARTICLE 7. Market Research**

1. The Company may report information to one or more potential investors prior to the announcement of an operation in order to assess their interest in a possible operation and the conditions relating thereto, such as its possible price or volume.
2. Prior to reporting this information, the Company shall:
  - a) Obtain the consent of the market research recipient to receive Privileged Information;
  - b) Inform the market research recipient of the prohibition to use this information, or attempting to use this information, to acquire, transmit or transfer, either on their own or through third parties, directly or indirectly, Stock or Financial Instruments associated with this information;
  - c) Inform the market research recipient of the prohibition to use this information, or attempting to use this information, by cancelling or modifying an order that has already been given regarding Stock or Financial Instruments associated with this information; and
  - d) Inform the market research recipient that by accepting the information, they are obligated to keep it confidential.

**[NOTE: Art. 11.1 and 11.5 Regulation (EU) 596/2014]**

#### **ARTICLE 8. Regulatory Compliance with the Securities Market**

Notwithstanding the provisions of these Rules, the Covered Persons who possess Privileged

Information shall strictly comply with the provisions of the Securities Exchange Act, as well as with any developing provisions.

## **CHAPTER TWO. REGARDING MATERIAL FACTS**

### **ARTICLE 9. Reporting Material Facts to the CNMV. Authorized Parties. Information for Third Parties**

The Company shall make public and immediately report all Material Facts to the market. The Company shall also send this information to the CNMV to be included in the corresponding official register referred to in the Securities Exchange Act.

The Company will designate at least one party authorized by the CNMV to duly report all Material Facts and to respond effectively and quickly to inquiries, verifications or requests for information from the CNMV relating to the report of these facts.

Periodic meetings with analysts, investors and media should be planned so that those people who participate in them do not disclose Material Facts that have not been previously disclosed to the market in the way mentioned in the previous paragraph.

### **ARTICLE 10. Time to Report. Content**

The Company must report Material Facts to the CNMV at the same time these facts are released to the market by any means and as soon as the fact is known, having adopted the decision or signed the agreement or contract with third parties, regardless of whether or not the fact has arisen with the issuer.

However, when the Material Facts could possibly disrupt normal Stock or Financial Instrument operations or when these Material Facts could endanger investor protection, meaning that when it is foreseeable that disclosure of these facts to the market could cause an extraordinary alteration of the prices, the Company must report the Material Facts to the CNMV prior to making them public. The CNMV will subsequently and immediately make the facts known.

When the Company considers that the Material Facts should not be made public because they may affect the legitimate interests of the group, it may delay reporting and making these facts known, pursuant to the provisions of the Securities Exchange Act.

Research, preparation or negotiations prior to adopting decisions as well as current negotiations, or circumstances relating these negotiations when their progress or results may be affected by public disclosure of the information, shall be excluded from the duty to report Material Facts in addition to the decisions that have been adopted or contracts that have been concluded by the Board of Directors which need the approval of another body to become effective, provided that the public disclosure of the facts prior to this approval would jeopardize the correct assessment of the facts by the market.

Notwithstanding, the Company shall immediately disclose the information if it cannot guarantee its confidentiality.

The content of any reports must be truthful, clear, complete and, when required by the nature of the facts, quantified, so that it does not cause confusion or deception. Reports must also comply with the requirements regarding completion, means and models pursuant to applicable legislation.

When a fact or a subsequently significant decision shows cause, is the consequence or continuation, supposes a change or rectification or in some way completes, alters or puts an end to the Material Information that was initially reported, a new report will need to be disclosed to the market immediately. This new report, must make clear reference to the original report that has been altered, completed, or rectified and how this new report is different. In no case will the second report substitute the original report.

However, in those cases in which the Company believes that the content of a report that has been made public could be misleading and cannot be remedied by a second report or whose content contains information that has been disclosed inadvertently but which does not qualify as Material Information, justified authorization will be required in order for the CNMV to proceed with the removal of this report.

All Material Information will appear on the Company's website exactly as reported to the CNMV. This will ensure that the disclosure of this information is carried out in an understandable way, that it is free, direct and easy for investors to access.

#### **ARTICLE 11. Legitimate Interests**

The Company may delay reporting and disclosing Material Information when it considers that the information harms their legitimate interests provided that this omission will not mislead the public and that the confidentiality of this information will be kept.

The Company's agent must also confirm or deny, as the case may be, public information on circumstances that are considered Material Facts.

### **CHAPTER THREE. REGARDING STOCKS AND FINANCIAL INSTRUMENTS**

#### **ARTICLE 12. Prohibition of Market Manipulation and the Duty to Abstain**

1. Covered Persons must abstain from preparing or conducting practices that falsify the free establishment of prices. These practices include the following:

- (i) Operations or orders, or any other conduct, that:
  - provide or may provide false indications or are misleading in regards to the offer, the demand or the price of the Stock or Financial Instruments;
  - irregularly or artificially ensure, by a person or persons acting in collaboration, the price of one or more Stocks and/or Financial Instruments;

unless the Covered Person demonstrates the legitimacy of his/her actions and these actions conform to accepted practices in the corresponding regulated market.] **[NOTE: Art. 12.1 a) Regulation (EU) 596/2014]**

- (ii) Operations or orders which employ false claims or any other form of deception or contrivance.
- (iii) Disclosure of information through the media, including the Internet, or through any other means that provides or may provide false or misleading indicators regarding Stocks and Financial Instruments, including the dissemination of rumors and false or

misleading information, when the person disclosing the information knew or should have known that this information was false or misleading.

- (iv) Transmitting false or misleading information or providing false data on a reference index when the author transmitting or providing the data knew or should have known that the information was false or misleading. **[NOTE: Art. 12.1 d) Regulation (EU) 596/2014]**
2. The following conducts are also considered practices that distort the free establishment of prices, which is to say, that constitute market manipulation:
- (i) The actions of one or several persons working in collaboration to secure a dominant position with respect to the supply and demand of Stock or a Financial Instrument which directly or indirectly fixes purchase or sales prices or leads to other unfair trading conditions.
  - (ii) Purchasing or selling Stock or a Financial Instrument at the time that markets close which has the effect of misleading investor actions with respect to the prices at opening or closing. **[NOTE: Improvement of Art. 12.2.b) Regulation (EU) 596/2014]**
  - (iii) **[Sending orders to a trading venue, including the cancellation or modification thereof, through any trading methods available, including through electronic means such as algorithmic and high frequency trading strategies, that have some of the effects referred to in paragraphs (i) or (ii) of this section, to:**
    - disrupt or delay the functioning of the trading system used by the trading venue, or make it more likely to occur;
    - make it difficult for other persons to identify genuine orders in the trading venue's trading system, or increase the likelihood of hindering it, in particular by introducing orders that lead to overloading or destabilizing its portfolio mandate, or
    - create, or possibly create, a false or misleading indicator of the supply and demand or on the price of Stock or a Financial Instrument, in particular issuing orders to initiate or intensify a trend.] **[NOTE: Art. 12.2.c) Regulation (EU) 596/2014]**
  - (iv) Taking advantage of occasional or regular access to traditional or electronic media by voicing an opinion about Stock or Financial Instruments or, indirectly regarding its issuer, after having taken positions on that Stock or Financial Instrument and therefore profited from the impact of the opinions voiced on the price of said Stock or Financial Instrument, without having simultaneously disclosed a conflict of interest to the public in a proper and effective manner.
  - (v) Any other applicable regulations relating to or describing a practice contrary to the establishment of free prices.

### **ARTICLE 13. Obligation to Report**

1. Covered Persons who engage on their own behalf in any operation to subscribe, purchase or sell Stock or Financial Instruments, either directly or indirectly through Associated Persons and the operations that they perform, must be reported to the Regulatory Compliance

Division within a period not exceeding **[3]** working days from the date on which the operations were performed, with comprehensive and detailed data on:

- a) the name of the Covered Person;
- b) the reason for the report;
- c) the name of the issuer;
- d) a description of the Stock or Financial Instrument and its identification number;
- e) the nature of the operation or operations (for example, acquisition or transmission), indicating whether they are linked to stock options programs or to examples listed in section 2 below;
- f) the date and place of the operation or operations, and
- g) the price and the volume of the operation<sup>1</sup>. **[NOTE: Adaptation of Regulation (EU) 596/2014 – Art. 19.1 and 19.6 – which establishes this obligation for Administrators and Executives and their Associated Persons]**

Associated Persons who operate on their own behalf and have the obligation to declare their activity as such, shall be considered to participate in proprietary trading.

Reports shall be made only when the total amount of operations performed by the Covered Persons has reached the threshold determined in the applicable legislation. **[NOTE: Art. 19.8 Regulation (EU) 596/2014, which establishes this obligation for Administrators and Executives and their Associated Persons].**

2. **[**The following operations, which Covered Persons must report for compliance purposes pursuant to this Article, shall also be considered:
  - a) The pledging or lending of financial instruments by any Covered Persons, Associated Persons, or on behalf of any of either of them<sup>2</sup>;
  - b) Operations performed by any person preparing or executing operations or by someone acting on behalf of a Covered Person or an Associated Person, including cases in which they are acting with discretionary powers;
  - c) Operations performed within the framework of a life insurance policy when the policyholder (i) is a Covered Person or an Associated Person; (ii) assumes the investment risk, and (iii) has the power or discretion to make investment decisions on specific instruments within said life insurance policy or execute operations relating to specific instruments. **[INTERNAL NOTE: Adaptation of Regulation (EU) 596/2014 – Art. 19.7 – which establishes this obligation for Administrators and Executives and their Associated Persons]**
3. **[**Notwithstanding the provisions of these Rules, Covered Persons shall refrain from operations involving Stocks and Financial Instruments for 30 calendar days prior to: (i) the date on which financial statements are prepared by the Board of Directors of the Company; (ii) the date on

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<sup>1</sup> For pledges whose value can be modified, this clause must be made public along with its value on the date it is pledged.

<sup>2</sup> It is not necessary to report on a pledge, or a similar guarantee, for financial instruments when these financial instruments are deposited in an escrow account, unless and until the pledge or guarantee is used to guarantee a specific credit instrument.

which the Company's periodic financial information is published.] [NOTE: Adaptation of Regulation (EU) 596/2014 – Art. 19.11]

4. Covered Persons may, however, exceptionally request authorization to conduct operations during these periods from the Regulatory Compliance Division when justifiable. With respect to Colonial's Administrators and Executives [the following circumstances may be authorized (i) among other exceptional cases, due to severe financial difficulty which require the immediate sale of shares; and (ii) for trading operations that part of or connected to a plan to distribute shares or options or savings or to the qualification or subscription of shares, and when operations are negotiated but in which no changes occur in the final ownership of the Stock or Financial Instrument.] [NOTE: Adaptation of Regulation (EU) 596/2014 – Art. 19.12 a) and b)].
5. The Board of Directors may, however, exceptionally increase the time periods during which the persons covered by these Rules must abstain from carrying out operations concerning Stocks or Financial Instruments, pursuant to the provisions of these Rules.
6. Also, Covered Persons may not perform operations on the same Stock or Financial Instrument in the same session or on the same day, unless authorized by the Regulatory Compliance Division.
7. When new persons covered by these Rules are incorporated, an initial report to the General Counsel must be made within 15 days which indicates which Stocks or Financial Instruments said persons possess on that date, notwithstanding the obligations to report which may be required in compliance with the applicable regulations.
8. Notwithstanding the foregoing, operations performed by the entities to which Covered Persons are responsible for providing discretionary management of their securities portfolios shall not be subject to the obligation to report contained in this article.

Covered Persons who enter into a discretionary portfolio management contract are required to notify the General Counsel of the existence of that contract as well as the manager's identity, in addition to complying with the legal obligations that apply to each of the Covered Persons regarding operations with Stocks and Financial Instruments.

## **CHAPTER FOUR. REGARDING TREASURY SHARES OPERATIONS**

### **ARTICLE 14. Treasury Shares Policy**

For the purposes of these Rules, treasury shares operations are those made by the Company, either directly or through any of the companies in Grupo Colonial, concerning Company shares as well as Stocks and/or Financial Instruments or contracts of any type which may or may not be traded on the stock exchange or other secondary organized markets, which grant the right to acquire Company shares.

Transactions with the Company's own shares may be performed for the following purposes; (i) to implement specific plans for the acquisition or disposal of treasury shares approved by the Board of Directors and authorized at the General Meeting, especially to execute and cover plans to distribute shares or stock options or similar financial instruments for directors, executives and/or employees; (ii) to contribute to the liquidity of the shares in the market or to reduce price fluctuations; (iii) to

comply with previously contracted legitimate commitments; (iv) to distribute as consideration for the purchase of another company, acquisition of assets or in exchange for others in the case of a merger; (v) to be opportune for the Company's business interest; or (vi) any other admissible purpose in accordance with applicable regulations. However, in no case will these transactions respond to a proposal to intervene in the free establishment of prices in the market or to favor certain shareholders.

The Chief of Treasury Shares shall ensure the implementation of specific plans and supervise the periodic operations referred to in the previous paragraph. The Chief of Treasury Shares and/or the persons designated by him/her shall also be responsible for officially reporting on securities transactions that are required by the current provisions, as well as for maintaining adequate control and the registration of these transactions.

The Chief of Treasury Shares, at the moment that he/she knowledge of the existence of Privileged Information that affects his/her own shares, shall immediately notify the persons authorized to give issue orders for the investment or divestment of treasury shares, who must refrain from carrying out any operations while the situation exists. This notification will by itself convert the persons receiving the notification into persons with access to Privileged Information and as such, they will need to be included in the corresponding register and subject to the prohibitions that such incorporation entails. The Chief of Treasury Shares shall inform the Audit and Control Committee, at each of its meetings, of operations concerning treasury shares.

Notwithstanding the above, the Company may delegate a third party to perform operations with their treasury shares so that this third party can perform the operation on a discretionary basis, without being affected by restrictions on Privileged Information, as long as this third part has no access to it. The Company may also enter into liquidity contracts and/or contracts for the implementation of a repurchase program, subject, where applicable, to the provisions of the applicable regulations. The Chief of Treasury Shares shall inform the Regulatory Compliance Division of this type of delegation.

#### **ARTICLE 15. Volume of transactions**

The Company shall not exercise, in any session, a dominant position in the contracting of its shares. In other words, and in general, the sum of the daily volume of repurchased stock operations must not surpass 15% of the average daily acquisition of said shares (over the last 30 trading days). However, this limit could increase to 25% when the treasury shares acquired are to be used as consideration in the purchase of another company, the acquisition of assets, or to be distributed in exchange as part of a merger, and in other cases that may suit the Company's business interest.

#### **ARTICLE 16. Development of operations**

- (i) Stock repurchasing operations shall avoid, whenever possible, manipulating stock prices while trying not to generate any trends.
- (ii) **Temporary Limits:** Orders shall not be entered at the opening or closing of trading, unless exceptionally for a justified reason. In any case, the cumulative total order volume that is introduced may not exceed 10% of the theoretical volume resulting from the auction at the time such orders are introduced.

Similarly, stock must not be repurchased during the interval between the date on which the

Company decides to delay publication of material information and the date on which the company publishes it. In addition, if the trading of shares is suspended, orders should not be placed during the period prior to when the suspension is lifted until the Stock or Financial Instrument operations have been completed.

- (iii) **Counterpart to the operations:** (a) Orders for the purchase and sale of treasury shares must not be placed at the same time; and (b) stock repurchasing operations may only be agreed upon by Colonial's directors and significant shareholders when specifically authorized by the Board of Directors of Colonial and in no case at prices higher than list price, unless for special reasons as dictated by Colonial's business interest.
- (iv) **Use of market members:** In order to facilitate the monitoring of such operations, the Company will elect a single member of the market as an intermediary for all of its stock repurchasing operations. Once this market member is chosen, the Company shall notify the CNMV, before the start of trading and treating this notification as confidential information, which entity shall perform these operations, sending the contracts that have been signed with the financial intermediary to manage the process of stock repurchasing.
- (v) **Acquisition of another company:** When the Company has notified the CNMV of the material information regarding the purchase of another company or regarding its merger with another company and this operation is to be implemented, in whole or in part, by the acquisition of treasury shares, the Company must notify the CNMV and make the following material information public:
  - the purpose of the operation, the number of treasury shares to be acquired and the period during which the purchase will be made, all prior to the acquisition; and
  - the details of the operations performed by the end of the seventh (7<sup>th</sup>) market session following the day the operations are executed.

If the operation which justifies acquiring treasury shares is not carried out, the Company must disclose this circumstance and discuss the end use of the treasury shares acquired.

When the Company is going to acquire treasury shares for the purpose indicated in section (v) but has not reported material information, the information discussed in section (v) must be reported to the CNMV.

Grupo Colonial will note in its stock repurchasing operations any obligations and requirements arising from the applicable regulations and will continue to follow, to the extent possible, the recommendations made on the matter by the supervising bodies. The Company may only diverge from said recommendations or from the provisions included in these Rules which do not transpose current regulations, when there are reasons to justify doing so and it is agreed that it is being done in the Company's business interest, owing in any case to the express authorization on behalf of the Regulatory Compliance Division.

## **CHAPTER FIVE. CONFLICTS OF INTEREST**

### **ARTICLE 17. Conflicts of Interest**

A conflict of interest is any situation in which the interests of the Company or any of the companies

in Grupo Colonial collide, directly or indirectly, with the interests of Covered Persons. The Regulatory Compliance Division may identify a conflict of interest in persons who, because of the services they render in the Company or Grupo Colonial, may enter into a conflict of interest.

In case of a conflict of interest, the following general principles of conduct must be observed:

- a) Independence: Act at all times with freedom of judgment, with loyalty to the Company and its shareholders and independently of your own interests or those of others. In conclusion, avoid putting your own interests above those of the Company.
- b) Abstention: Refrain from intervening or influencing decisions that could affect persons or entities with which there is a conflict and from accessing confidential information that could affect such a conflict.
- c) Communication: Report any conflicts of interest that are incurred to the Regulatory Compliance Division.

#### **ARTICLE 18. Obligation of Information**

The Administrators of the Company shall be governed in this matter by the provisions of the Regulations of the Board of Directors.

The Executives and Employees, as well as any other Covered Persons, must inform the Regulatory Compliance Division of any possible conflicts of interest with any of the companies in Grupo Colonial, with themselves or their Associated Persons that they may be subject to because of their activity outside the Company or the Group, their family relationships, their personal assets or for any other reason.

Any doubts as to the possible existence of a conflict of interest must be discussed with the Regulatory Compliance Division before taking any action that may be affected by said conflict. The Regulatory Compliance Division, in view of the nature of the information received, will decide on the need to inform the Audit and Control Committee of the situation.

A conflict of interest for Executives and/or Employees due to family relationships will not be considered to have occurred when the relationship exceeds the fourth degree of consanguinity or the second degree of affinity.

#### **ARTICLE 19. Deadlines for Reporting**

Reporting must be carried out as soon as possible and in any event, within 15 days after the day on which the interested party had knowledge of the situation. Reporting must also always take place before making any decision that could be affected by a possible conflict of interest.

#### **ARTICLE 20. Updating Information**

Executives and/or Employees must update its information on conflicts of interest, taking into account any modification or cessation of previously reported situations as well as the emergence of new or potential conflicts of interest. The information provided must also include the connections to those expressed in this Chapter which, in the opinion of an external and impartial observer, could compromise the impartial conduct of the Executive or Employee.



**TITLE III**  
**INTERNAL STANDARD OF CONDUCT BODIES**

**ARTICLE 21. Regulatory Compliance Division**

The body responsible for the supervision of effective compliance with the obligations established in these Rules shall be the Regulatory Compliance Division, made up by the General Counsel and the Director of Internal Auditing, in coordination with the Chief of Treasury Shares, with respect to the obligations which are specifically attributed to them in these Rules.

**ARTICLE 22. Functions of the Regulatory Compliance Division**

The Regulatory Compliance Division shall have at a minimum, and notwithstanding the functions listed throughout these Rules, the following functions:

- (i) To interpret the guidelines contained in these Rules, monitor enforcement and propose that the Audit and Control Committee notify the Board of Directors of any necessary corrective measures.
- (ii) To resolve any doubts or questions that are raised regarding the application and content of these Rules and to monitor compliance of these Rules.
- (iii) To determine who, pursuant to Article 4, shall be considered Covered Persons for the purposes of these Rules.
- (iv) To receive any reports and information by the persons covered by these Rules and to store them in an orderly way and to adequately safeguard them.
- (v) To maintain and update the records referred to in these Rules.
- (vi) To propose the measures that it deems opportune to control the flow of information and, in general, and so that the organization of the Company with respect to these Rules is complied with as well as the principles that inspire it, promoting the establishment and adoption of procedures and complementary rules to this end.
- (vii) To report to the Audit and Control Committee at least twice a year, and whenever deemed necessary or required to do so, on the measures taken to promote awareness and to ensure compliance with these Rules and the rules that apply to Securities Markets.
- (viii) To grant authorizations which, where applicable, are provided for in these Rules. The Regulatory Compliance Division may, in exceptional cases and for justified reasons, also exempt fulfillment of certain obligations under these Rules, provided that this waiver does not involve a breach of the applicable regulations.

The Regulatory Compliance Division shall keep an adequate registry of the authorizations it has granted.

The members of the Regulatory Compliance Division shall keep the deliberations and resolutions of this body confidential and, in general, shall not disclose the information, data, reports or records to which they have access while performing their functions, nor shall they use them for their own benefit or for the benefit of third parties, notwithstanding the obligations of transparency and information provided in the applicable law on corporate governance of the Company. This obligation to maintain confidentiality shall remain in effect even after the members of the Regulatory Compliance Division leave office.

**ARTICLE 23. Audit and Control Committee**

The Audit and Control Committee is the body responsible for overseeing the functions of the Regulatory Compliance Division regarding the proper compliance with the guidelines of these Rules as well as other internal regulations that may arise.

**TITLE IV**  
**VALIDITY AND INCOMPLIANCE**

**ARTICLE 24. Validity. Knowledge and Acceptance of These Rules**

1. These Rules, and any amendments or updates thereto, shall take effect 30 days after they have been approved by the Board of Directors.
2. The General Counsel, in collaboration with the Secretary of the Board of Directors, shall forthwith notify the Covered Persons of the approval of or any amendments to these Rules.
3. All persons covered by these Rules must acknowledge receipt of the notification made by the Company and state that they understand and accept the content of these Rules while promising to strictly comply with the contents. These Rules are accompanied by an acknowledgment of receipt in the form of an Annex to be delivered to Covered Persons.

Covered Persons must also know and respect, both in work and in spirit, the current legislation on the Stock Market regarding their particular field of activity, and the rules that concern or complement it.

**ARTICLE 25. Incompliance**

Incompliance with the provisions of these Rules shall, where applicable, be considered a workplace infraction, pursuant to current legislation.

This type of infraction shall stand without prejudice to the infraction that may arise for breach of the provisions of the Security Exchange Act and its Regulations, in addition to the civil or criminal responsibility that, depending on the case, may be applicable.

**ANNEX**  
**RECEIPT OF ACCEPTANCE OF THE INTERNAL CODE OF CONDUCT FROM INMOBILIARIA COLONIAL,**  
**SOCIMI, S.A.**

Attn: Regulatory Compliance Division  
Avenida Diagonal, 532  
08008 Barcelona

In....., on the.....of.... , 20...

Dear Sir/Madam,

I am writing to notify you that I have been informed that, in a meeting held on the [ ] of [ ], [ ], of the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A. approved the new text of the Internal Code of Conduct on matters relating to the Securities Market of Inmobiliaria Colonial, SOCIMI,S.A. (the “**Rules**”).

Through this statement, I declare that I know and understand each and every one of the terms listed in these Rules, expressing my agreement as well as my commitment and compliance. In particular, I acknowledge that I know and understand the obligations and responsibilities concerning me with respect to these Rules and I understand the importance of complying with them as well as the dangers that may arise from failure to comply with my obligations concerning the confidentiality of the information available in Inmobiliaria Colonial, SOCIMI, S.A. and the companies in its group.

I am fully aware that failure to comply with the obligations relating to these Rules, whether voluntarily and consciously or unintentionally, may lead Inmobiliaria Colonial, SOCIMI, S.A. or companies in its group to penalize me and/or claim for damages.

Finally, I state that I am aware that Inmobiliaria Colonial, SOCIMI, S.A. operates a registry<sup>3</sup> in which people are listed who are already covered by these Rules. I therefore give my express consent for my personal data to be included in this registry and for Inmobiliaria Colonial, SOCIMI, S.A. to process this data in compliance with current legislation.

Sincerely,

\_\_\_\_\_  
[Name]  
[Position]

<sup>3</sup> Your data will be incorporated into a registry owned by Inmobiliaria Colonial, SOCIMI, S.A., Avenida Diagonal, No. 532, Barcelona, in compliance with the obligations listed in Spanish *Royal Legislative Decree 4/2015, dated 23 October, which approved the revised text of the Securities Exchange Act*, and other regulations. The registry is available to Spain’s National Securities Market Commission (CNMV) upon request. In compliance with the applicable legislation, and specifically, with the legislation applicable in matters of data protection, you have the right to access your personal data, as well as to request that it be corrected or cancelled if it is incorrect or unnecessary for the purposes listed by those who have collected it, and to object to the treatment of said data. You may exercise your right by sending a written request to the Regulatory Compliance Division.