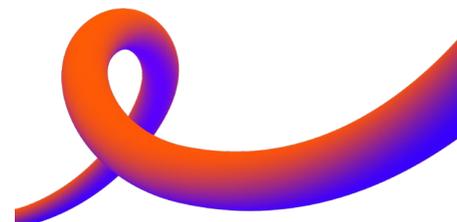


**ANNUAL REPORT ON THE FUNCTIONS AND ACTIVITIES OF
THE AUDIT AND CONTROL COMMITTEE**

2021-2022





1.- REGULATION

The Company's Audit and Control Committee ("the Committee") was established by the Company's Board of Directors at its meeting on 4 June 2014, prior to the Company's shares being listed on the Official Stock Exchanges of Spain, and its general mission is to assist the Board of Directors in supervising financial statements and in exercising the control function, and to ensure good corporate governance.

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 and Control Committee, according to the recommendations of the Technical Guide on Audit Committees of public interest entities, approved by the CNMV on 17 June 2017. Such Regulations have been adapted to the new recommendations approved by the CNMV during this financial year.

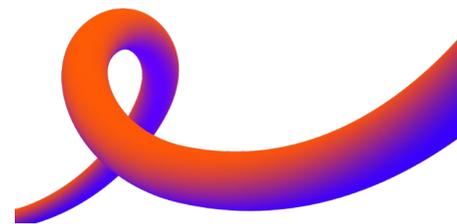
2.- COMPOSITION

As of 30 September 2022, there has been no change in the members of the Committee with respect to the previous year, maintaining its composition as follows:

Position	Members	Date of appointment	Category
Chairman	Mr. Alain Minc	25.09.2018	Independent
Members	Mr. Gregorio Marañón y Bertrán de Lis	09.06.2014	Independent
	Ms. Cristina Garmendia Mendizábal	09.06.2014	Independent
	Ms. Pilar Platero Sanz	24.03.2020	Independent
	Mr. Richard Hathaway	24.04.2018	Proprietary
Non-Member Secretary	Ms. María Echenique Moscoso del Prado	19.12.2019	-----

During this financial year, Mr. Alain Minc, after renewal of his position as director by the General Shareholders' Meeting, held on February 3, 2022, has been renewed in his position as Chairman of the Committee, for an additional period of four years.

Also Ms. Cristina Garmendia Mendizábal, after renewal of her position as director by the General Shareholders' Meeting above mentioned, has also been renewed in her position as a member of the Committee, for an additional period of four years.

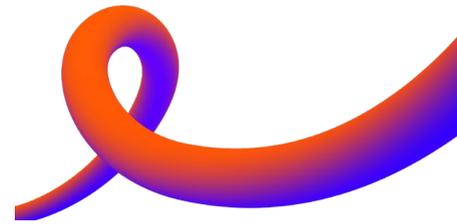


3.- FUNCTIONS

According to the aforementioned regulations, the Company's Audit and Control 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.

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 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
- Supervision of the reporting of non-financial and on sustainability information
- 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 2021-2022 financial year, the Company's Audit and Control Committee held five 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 the 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.

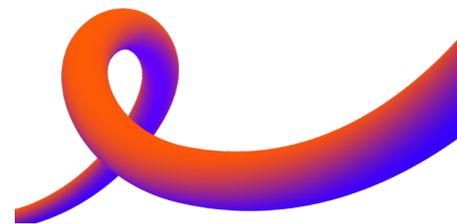
During the financial year, the meetings were generally held in-person at the company's offices, though occasionally, some members of the Committee had attended through videoconference mechanisms.

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 October, 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-evaluation of the Committee, performed in coordination with the Appointments and Remuneration Committee, and with the external advice of Deloitte Legal, as it corresponds each three years, following the good governance recommendations, concluded that its functioning was highly satisfactory, despite the fact that improvement areas have been detected. The result of this evaluation, with regard to the Committee Chairman performance, has also been highly satisfactory.



5.- ACTIVITIES

During the 2021-2022 financial year, the Audit and Control 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.

A. FINANCIAL STATEMENTS AND OTHER NON-FINANCIAL INFORMATION

The Committee supervised the process of preparing all the financial information published by the company, ensuring the proper application of accounting principles and that the consolidation perimeter is properly determined. Likewise, the presentations of results notified to the market as well as the information concerning corporate social responsibility and sustainability have been supervised.

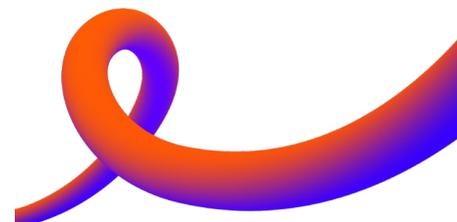
B. RISKS AND FINANCIAL INFORMATION CONTROL SYSTEMS

The Committee has ensured that the internal control system, in particular, the ICOFR system functions properly. During this financial year, moreover, its activity has been especially intense in the area of risks. Risks monitoring has been strengthened, through a complete quarterly follow-up of the risks affecting the Logista group, taking into account all countries where the group operates, and the different types of entities and businesses. The risks speed and the effectiveness of the mitigating controls in place have been assessed, and when necessary, the identified risks ranking, based on their criticality, has been updated.

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.

Likewise, the Internal Audit Policy has been updated to adapt it to the functions assumed by the unit in matters of conflicts of interest, according to the new Code of Conduct, and as a risk management unit.



D. CORPORATE GOVERNANCE AND COMPLIANCE

Following the intense activity carried out in previous years to update corporate regulations, the Committee's activity this year has focused on supervising the implementation and operation of the Company's new compliance model.

Specifically, the Group's Compliance Officer was present at all the Committee's meetings, reporting 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 working plan for the coming year.

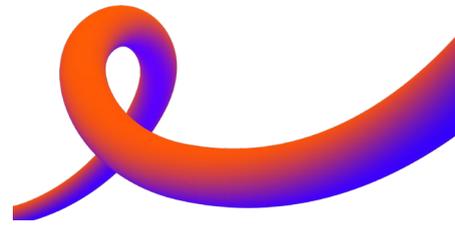
The Committee also issued a favorable report for the approval of an update of the Group's Whistleblowing Policy, in order to align it with the best practices in the market and the COSO III international standard.

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.

F. SELF-ASSESSMENT OF ITS OPERATION

The Committee has evaluated its own performance during this financial year, in co-ordination with the Appointments and Remuneration Committee, and with the external advice of Deloitte Legal. 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 extension of discussion time. Also, taking into account the importance of sustainability issues, the Committee has considered appropriate to review its governance model, in case that adjustments are needed.



6.- CONCLUSION

In view of the foregoing, it can be concluded that the Audit and Control Committee operated normally during the 2021-2022 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 and Control Committee at its meeting of November 2nd, 2022.

Leganés, November 2nd, 2022

The Secretary of the Committee,

María Echenique Moscoso del Prado