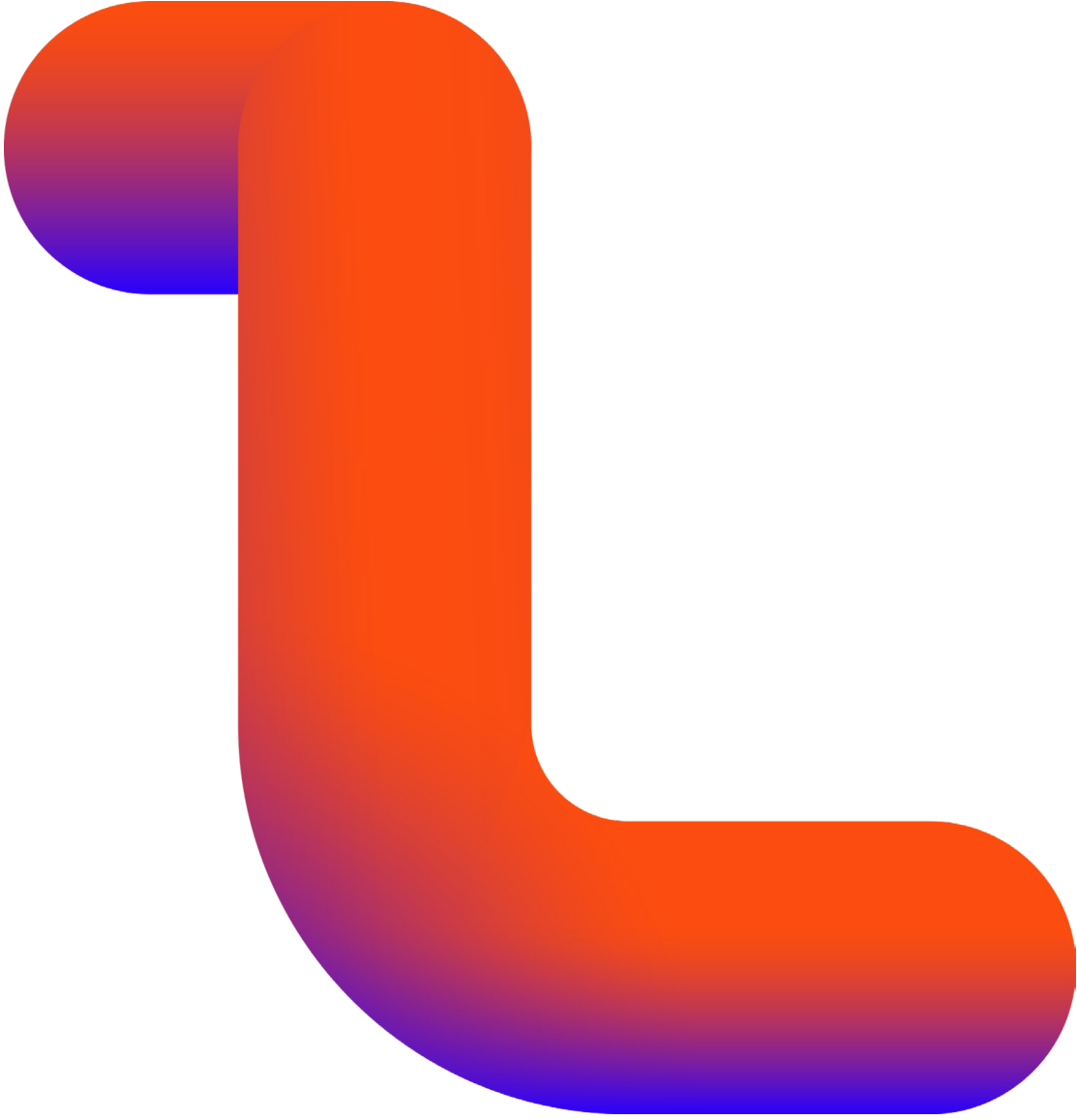


2021
INTEGRATED
ANNUAL REPORT

Logista



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Annual Accounts



Integrated Annual Report



Annual Report on
Corporate Governance



Annual Report on
Remuneration of Directors

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails.

Against this complex 2021, Logista has continued to serve its clients and society in what have been challenging circumstances by keeping its operations up and running at all times and helping to ensure the general public's needs are adequately provided for.

Letter from the Chairman



Dear shareholders,

It is my pleasure to present to you Logista's Integrated Annual Report for 2021 which sets out the Group's main activities and results for the financial year. In addition to financial information about the Company's performance, the report provides details about Logista's environmental commitment and its social initiatives.

The data in this report reflects what has been, without doubt, an extraordinary year due to the impact that COVID-19 has had on all the markets we operate in. Against this complex backdrop, Logista has continued to serve its clients and society in what have been challenging circumstances by keeping its operations up and running at all times and helping to ensure the general public's needs are adequately provided for. And it is the hard work and commitment of everyone in the Company that has made this possible. Thanks to each and every one of them, and to the Group's vision and commitment, Logista has been instrumental in helping other sectors remain operative.

I think it is also particularly important to highlight the vital role that Logista has played in vaccination programmes by working with several public authorities to store and distribute COVID-19 vaccines. Something that everyone at Logista is extremely proud of.

All of these achievements are thanks to the collective effort of everyone at Logista and testament to the company's resilience – qualities that have allowed us to record a sound economic performance and very strong financial results despite such difficult circumstances. In this regard, sales, operating results and net income registered growth in this financial year.

As you will see, not only have we carried on conducting our business operations, but we have also continued to develop and expand – continuing to build a forward-looking Company. In short, we have continued to build a company with a vision of the future, a future that requires greater dynamism and agility. With this in mind, we have rebranded to bring the Company's visual identity into line with its new reality and the future that lies ahead – one that I am in no doubt will be filled with every success.

I would also like to give a special mention to other corporate governance milestones achieved by Logista this financial year, thanks to the hard work and dedication of the Board of Directors. Firstly, a rigorous review of the Company's internal rules and regulations was undertaken to both streamline processes and improve best practices in corporate governance, resulting in new Articles of Association and new Annual General Shareholders' Meeting Regulations being presented and approved at the last Annual Shareholders' Meeting.

We have also strengthened the Company's commitment to gender diversity by amending the Board of Directors Regulations to ensure that at least 40% of Board members are of the least represented gender. We have also taken this into account when appointing new members to the Board during the year to ensure this percentage is upheld.

Finally, I would also like to take this opportunity to mention the importance Logista places on its commitment to social responsibility and the environment. I am delighted to report that for the fifth year running, the Company has been included on CDP's prestigious global sustainability A List in recognition of its leadership in the fight against climate change. This year it has also been recognised as a Supplier Engagement Leader by CPD.

For an in-depth account of all these matters, please consult this Integrated Annual Report, the Annual Corporate Governance Report and the Annual Board Remuneration Report.

I would like to close by extending my thanks once again to the whole team whose hard work makes Logista a leading player in the logistics sector, and to our suppliers and clients with whom we have built up a relationship of trust out of a shared focus on growth.

Lastly, I would also like to thank you, the shareholders, for your continued commitment to Logista and our team. You can rest assured that we will continue to work tirelessly to improve all aspects of our business and consolidate the company's position as Southern Europe's leading distributor.

Gregorio Marañón

I would like to highlight Logista's commitment to continue offering the best service to our customers, focusing special attention to sustainability, and maintaining our high level of quality and safety in all accomplished operations.

Letter from the CEO



Dear shareholders,

In this 2021 Logista Group Integrated Annual Report, you will be able to read in detail the main actions carried out in the year that we have just concluded, as well as the results corresponding to said period.

I am pleased to announce that we have achieved highly positive results in a context that did not appear to be favourable at all, due to the economic and social consequences that the COVID-19 pandemic brought. However, as reflected in the financial data contained in this report, we have managed not only to maintain our activity, but to continue growing and improving our position as a strategic partner for product distribution in Southern Europe.

About a year ago, in our annual report, I mentioned that we were closing 2020 without having yet returned to full normality. There is no doubt that we have not achieved complete normality yet, and that throughout this fiscal year we have continued, once again, to suffer the impact and restrictions of this pandemic. But despite these setbacks, when it came to the decree of restrictive measures, our different Logista businesses were considered an essential activity, therefore allowing us, once more, to facilitate our clients' day-to-day lives.

If something can be considered a turning point in 2021, it has been the arrival of the first vaccines against COVID-19. From the Group, we have contributed significantly to its distribution, with agreements with different public administrations to whom we have offered all our support and collaboration in such crucial times.

In this context, I would like to highlight Logista's commitment to continue offering the best service to our customers, focusing special attention to sustainability, and maintaining our high level of quality and safety in all accomplished operations.

Hence, allow me to emphasize Logista Pharma's effort, for its major and strenuous work conducted throughout this pandemic. Always aiming to improve the monitoring and control of the vaccine distribution chain, Logista Pharma launched its first-time individual and unique traceability service for COVID-19 vaccines. Thanks to this service, the different public administrations that have trusted Logista for vaccine distribution have benefited from very detailed and precise information on each of the packages delivered, thus far exceeding traceability requirements legally required. Putting this system into operation has been possible thanks to the notable investments and the experience accumulated over these last few years.

At the same time, Nacex has continued to make progress to adapt to the market environment. We have launched new services that respond to the growing demand of the e-commerce market. This is the case of eNacex Economy, a system designed to make delivery more comfortable for the recipient and guarantee effectiveness in the first delivery attempt. These new solutions are in line with Nacex's commitment to the environment and the reduction of its Carbon Footprint.

The significant increase in sales of electronic transactions in France – after the significant progress already registered in the previous year – confirms that clients in this sector have special trust in Logista when it comes to distributing their products.

Likewise, I would like to highlight our strategy of expanding our portfolio of convenience products distributed in Italy. This strategic process was followed by an important commercial effort to attract new customers in the beverage sector, which was coupled with a sales growth in the categories of snacks and sweets. After several years of continued economic growth, this has meant a new boost for our business in this market.

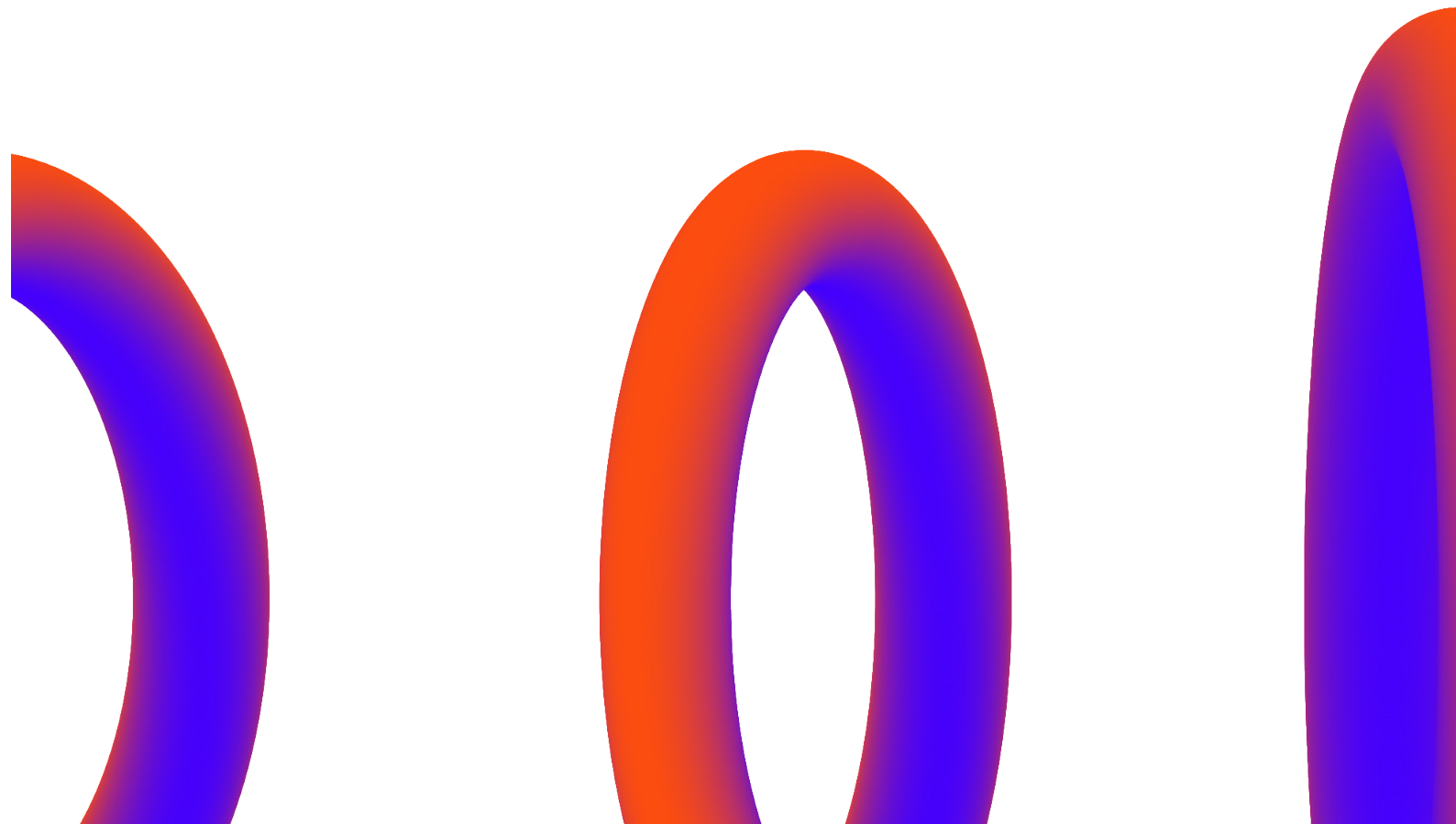
The constant innovation in which we are immersed is also reflected in our brand identity. It is part of the company's growth strategy and the expansion of our range of products, services, and solutions, as well as the diversification in new sectors.

This evolution and growth have allowed us to achieve, in a complex context, very positive financial results that reflect the good performance of the Group's activity. Logista has registered growth in the main figures of the income statement, achieving Revenues of 10,817 million euros, Economic Sales of 1,180 million and an Operating Profit of 240 million. This represents an increase in the figures of 3.9%, 5.6% and 12.8% compared to the previous year.

Economic Sales have registered improvements in all geographies and activities, except for tobacco distribution in France and Portugal. The double-digit increase achieved in Pharma, Parcels and in convenience products distribution in Spain and Italy stands out.

The increase in operating costs, which has been 3.2%, is below the increase recorded by Economic Sales. Therefore, the Adjusted Operating Profit margin on Economic Sales has improved compared to the previous year, being 25.2% in 2021 compared to 23.5% in 2020.

Thus, the Adjusted Operating Profit has reached 298 million euros, in a year in which we estimate that COVID-19 has not had a significant net impact on the results. This contrasts with the approximately 14 million euros of negative results that we estimated in the previous year.



The increase in Adjusted Operating Profit, lower restructuring costs, and higher financial results offset lower capital gains from asset sales and facilitated a 15.6% growth in Profit Before Tax.

At the end of this financial year, we decided to classify as an asset available for sale our subsidiary for the distribution of convenience products to points of sale that were not tobacco stores in France. This penalized the result of the year, as it resulted in discontinued operations, not only in the results of the year, but also in the estimation of their restructuring costs.

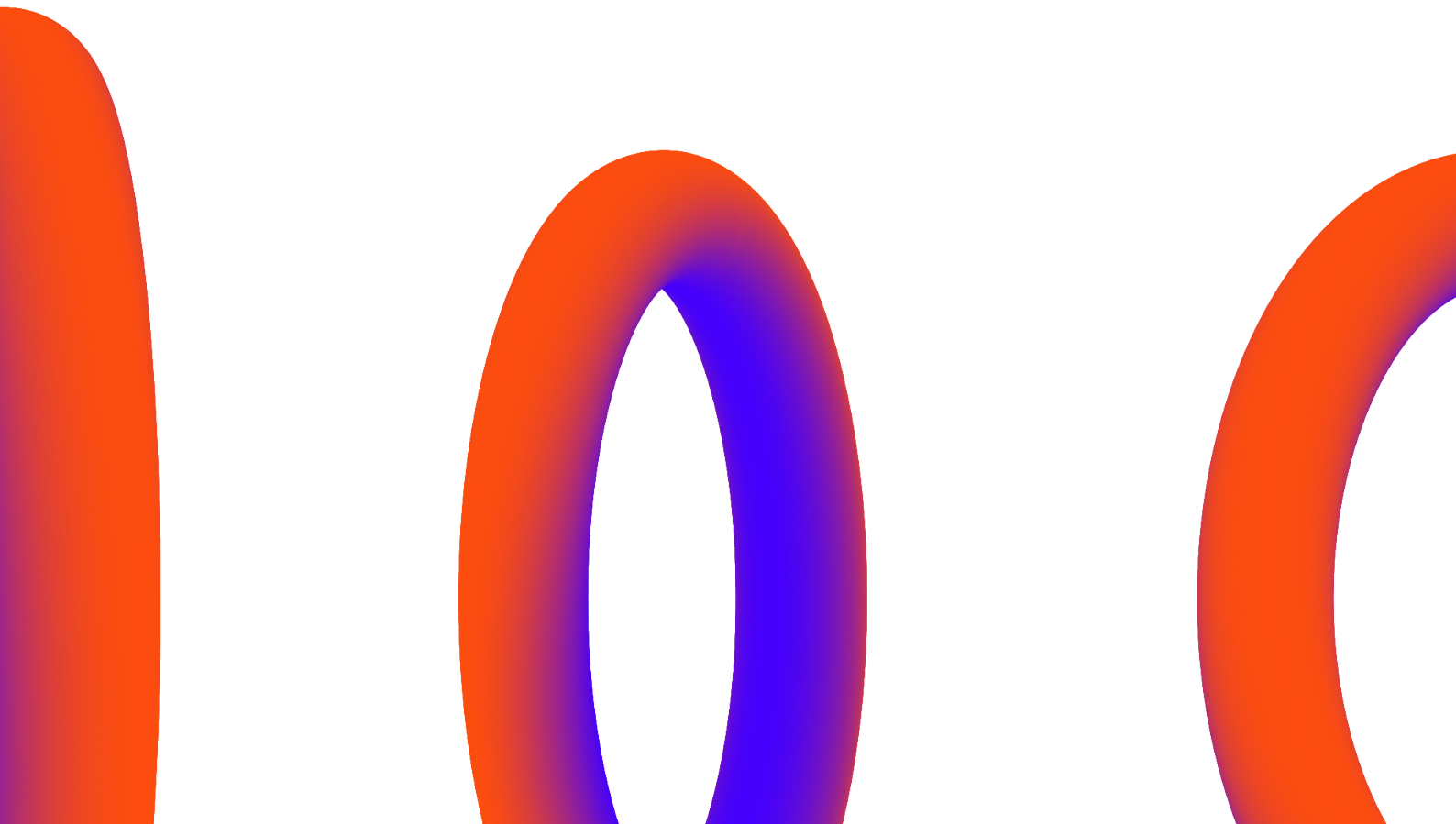
Net Profit for the year has increased 10.7% compared to the previous year, reaching 174 million euros.

For further information on these results, please have a look at the Consolidated Annual Accounts, that include the Management Report, of which this Integrated Report is part.

To conclude, I would like to especially thank the effort and drive of the entire Logista team of professionals for offering the best service to our clients. Naturally, I would also like to thank the Board of Directors for their ceaseless and constant support.

And to all of you, dear shareholders, I would like to express my absolute conviction that in the future Logista will continue growing in a sustainable way. Thank you for your trust.

Íñigo Meirás



Logista provides high value-added logistics services, specialising in distribution to local retailers in southern Europe.

1. Logista at a glance



Presence

5 countries

Spain, France, Italy, Portugal and Poland

Distribution to

~200,000
points of sale,

facilitating manufacturers access to convenience products, electronic top-ups, tobacco, pharmaceutical products, books, publications and lottery markets among others – ensuring efficiency and transparency, as well as complete control over all operations.

Over

600
central and regional
platforms and service points

Excellence and quality of
service

ISO 9001

GDP (Good Distribution Practices) and **GMP** (Good Manufacturing Practices) certified

AEO (Authorised Economic Operator)

Sustainability

CDP **A List** for fifth consecutive year

CDP **Supplier Engagement Leader**

FTSE4Good

ISO 14064

Rating MSCI AA

People

>5,850
direct employees

2021 Results

Economic sales

€ 1,180 million

Adjusted EBIT

€ 298 million

Net Profit

€ 174 million

Logista and the Stock Market

Capitalisation at 30 September 2021

€ 2,417 million

Dividendos

1.24€

per share allocated to the 2021 financial year

Average target price of the research companies

>24€

per share

*Figures are rounded in this report, except percentages

This icon is used throughout the report to indicate the aspects considered to be most relevant overall 

Consolidated income statement highlights

€ millions	Financial Year 2021	Financial Year 2020
Income	10,817	10,408
Economic sales	1,180	1,117
(-) Operating cost of logistics networks	(750)	(724)
(-) Commercial operating expenses	(48)	(48)
(-) Operating expenditure on research and central offices	(84)	(82)
Total operating costs	(882)	(854)
Adjusted EBIT	298	263
Margin %	25.2%	23.5%
(-) Restructuring costs	(9)	(11)
(-) Amort. Logista France assets	(52)	(52)
(+/-) Profit/(loss) on disposal and impairment	2	13
(+/-) Profit/(loss) from equity-accounting companies and other	2	1
Operating profit	240	213
(+) Financial income	22	17
(-) Financial expenses	(2)	(5)
Profit/(loss) before tax	261	225
(-) Corporate income tax	(67)	(61)
Effective tax rate	25.8%	26.8%
(+/-) Results of discontinued operations	(19)	(7)
(+/-) Other income/(expenses)	0	0
(-) Non-controlling interests	(0)	(0)
Net profit	174	157

Consolidated balance sheet highlights

€ millions	30 september 2021	30 september 2020
Property, plant and equipment and other fixed assets	321	373
Net long-term financial investments	20	19
Net goodwill	921	921
Other intangible assets	354	408
Deferred tax assets	15	19
Net inventory	1,467	1,294
Net receivables and other	2,151	1,986
Cash and cash equivalents	2,299	2,827
Assets held for sale	42	0
Total assets	7,588	7,847
Shareholders' funds	524	514
Non-controlling interests	1	2
Non-current liabilities	137	168
Deferred tax liabilities	239	254
Short-term borrowings	72	77
Short-term provisions	7	14
Trade and other receivables	6,566	6,819
Liabilities associated with assets held for sale	41	0
Total liabilities	7,588	7,847

Unique business model

Logista has developed a unique business model that combines specialist distribution and integrated logistics with exclusive value-added services and powerful Business Intelligence tools, giving it the flexibility it needs to both meet its clients' needs and comply with the regulatory requirements and standards of each sector.

Logista acts as single supplier for all the services that make up the supply chain, providing full traceability, using sustainable, transparent practices and offering advanced and specialist services for each sector and point-of-sale channel in which it operates.

This is achieved thanks to its comprehensive infrastructure network that, combined with its transport and information systems, enable it to manage the distribution of products from collection to point-of-sale delivery.

Logista also provides omnichannel marketing of products and services via its web platforms, point-of-sale terminals, cash & carry service points, call centres and sales force.

General principles of conduct

From the outset, Logista has developed, championed and fostered a corporate culture and philosophy based on the principles of legal compliance, honesty, integrity in management practices and transparency in the Group's dealings and relationships with its shareholders, staff, suppliers, clients, communities and other stakeholders and interest groups.

The Code of Conduct sets out the guidelines and ethical values that govern Logista's business operations. It establishes the principles that all members of the group must follow in their daily work and serves as a basis for the Group's policies and procedures, all of which must be interpreted and applied in accordance with the Code.

The new Code of Conduct, which was approved by the board of directors in July 2021, specifically seeks to reinforce the principles of exemplary standards, business integrity, transparency and regulatory compliance, which must govern all the Company's decisions and actions.

Logista's operations rely on its relationships with employees, clients, suppliers, business partners, shareholders and other groups, and the Code of Conduct is designed as a guide for promoting respect, equality, diversity, and creating long-term sustainable value.

business areas



Tobacco and related products

Distribution of tobacco and other convenience products, including both tobacco and non-tobacco related products, to the tobacconist channels in Spain, France and Italy, and to the tobacco distribution channels in Portugal. In Spain and Italy, this also includes the distribution of convenience products to other proximity channels.



Transport

Management of full load, long-distance transport throughout Europe, and industrial and small parcel transport services in Spain and Portugal.

Through this business area, Logista provides transport services to its other businesses and to third parties.



Pharmaceutical distribution

Pharmaceutical products distribution and logistics services in Spain and Portugal.



Other businesses

Publication distribution and logistics services in Spain and Portugal.

Market position

Logista provides high value-added logistics services, specialising in distribution to local retailers in southern Europe.

+ We are the preferred distribution partner for manufacturers, providing their route to consumers through simple and rapid access to proximity channels. We offer all the services they need, from the most basic outlets to those with greater value-add to reach hundreds of thousands of independent points of sale.

+ As a hospital distributor and logistics operator, Logista is constantly developing dedicated services for each sector, and works closely with clients to tailor its offering to their current needs and anticipate their future needs.

+ As a transport services operator, Logista pursues a strategy of differentiation by specialising in the long-distance transport of high-value products that require a temperature-controlled environment, industrial parcel transport and by offering home delivery (B2C) and the highest standard of small parcel transport service to business clients (B2B).

Differentiation

+ We respect manufacturers' product strategies in each channel and ensure specialist and transparent distribution of their products to retail channels through a single service provider, thus enabling them to focus on their core business and on achieving economies of scale.

+ We have highly specialised staff who are continually working to anticipate their clients' needs and offer new services that meet those needs.

+ The broad portfolio of products and services that we provide through a single point of contact, along with our omnichannel order-taking capacity for retail points of sale allows us to offer specialist technological solutions (with Point-of-Sale Terminals developed in-house, we provide day-to-day simplicity and bring our clients opportunities to grow their businesses).

+ Our operating model combines volume consolidation at large logistics centres, where operations can be automated, with a presence close to the point of sale via the nationwide roll-out of service points. Working in this way helps create synergies gives us the flexibility to be able to adapt quickly to changes in the level of activity.

This differentiation is reflected in high retention rates of our client portfolio, in many cases 100%, and in our solid margins and levels of return on capital employed.

Group structure

Compañía de Distribución Integral Logista Holdings, S.A.

Compañía de Distribución Integral Logista S.A.U. (100%)

┆ UTE Logista - IGT Spain Lottery (into liquidation) (50%)

Logista Pharma (100%)

┆ Be to Be Pharma, S.L.U (100%)

Logista Pharma Canarias, S.A.U (100%)

Dronas 2020, S.L.U. (100%)

Logista-Dis, S.A. (100%)

Logista Libros, S.L. (50%)

La Mancha 2000, S.A. (100%)

Logesta Gestión de Transport, S.A.U. (100%)

┆ Logesta Italia (100%)

┆ Logesta Francia (50%)

┆ Logesta Deutschland (100%)

┆ Logesta Lusa (51%)

┆ Logesta Polska (51%)

Compañía de Distribución Integral de Publicaciones Logista, S.L.U. (100%)

┆ Logista Regional de Publicaciones, S.A.U. (100%)

┆ Distribuidora del Este, S.A.U. (100%)

┆ Distribuidora Valenciana de Ediciones, S.A. (50%)

┆ Cyberpoint, S.L. (100%)

┆ Distribuidora de Publicaciones del Sur, S.L. (50%)

┆ Distribuidora de Aragón, S.L. (5%)

┆ Promotora Vascongada de Distribuciones, S.A.U. (100%)

┆ Distribuidora de Las Rías, S.A.U. (100%)

┆ Distribuidora de Ediciones Sade (70%)

┆ Distribuidora del Noroeste, S.L. (51%)

┆ Publicaciones y Libros, S.A. (100%)

┆ Distribución de Publicaciones Siglo XXI Guadalajara, S.L. (80%)

Logista Payments, S.L.U (100%)

Distribuidora del Noroeste (49%)

Logista France Holding (100%)

┆ Logista Promotion et Transport (100%)

┆ ┆ Logesta Francia (50%)

Logista France (100%)

┆ Societé Allumetiére Francaise (100%)

┆ ┆ Supergroup (100%)

Logista Italia (100%)

┆ Terzia (100%)

Companhia de Distribuicao Integral Logista Portugal (100%)

┆ Midsid (100%)

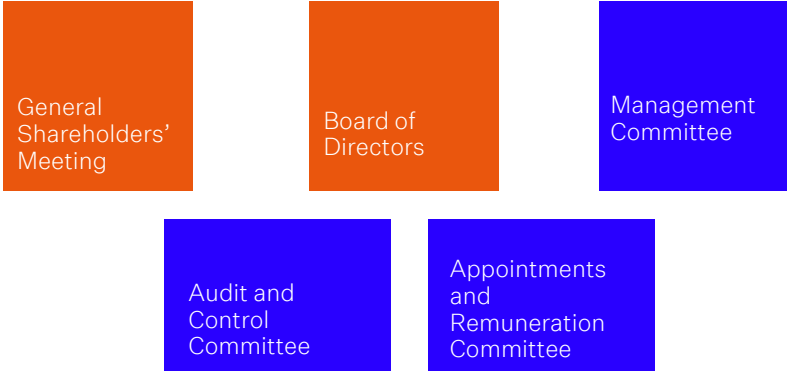
┆ Logista Transportos e Transitos (100%)

┆ ┆ Logesta Lusa (49%)

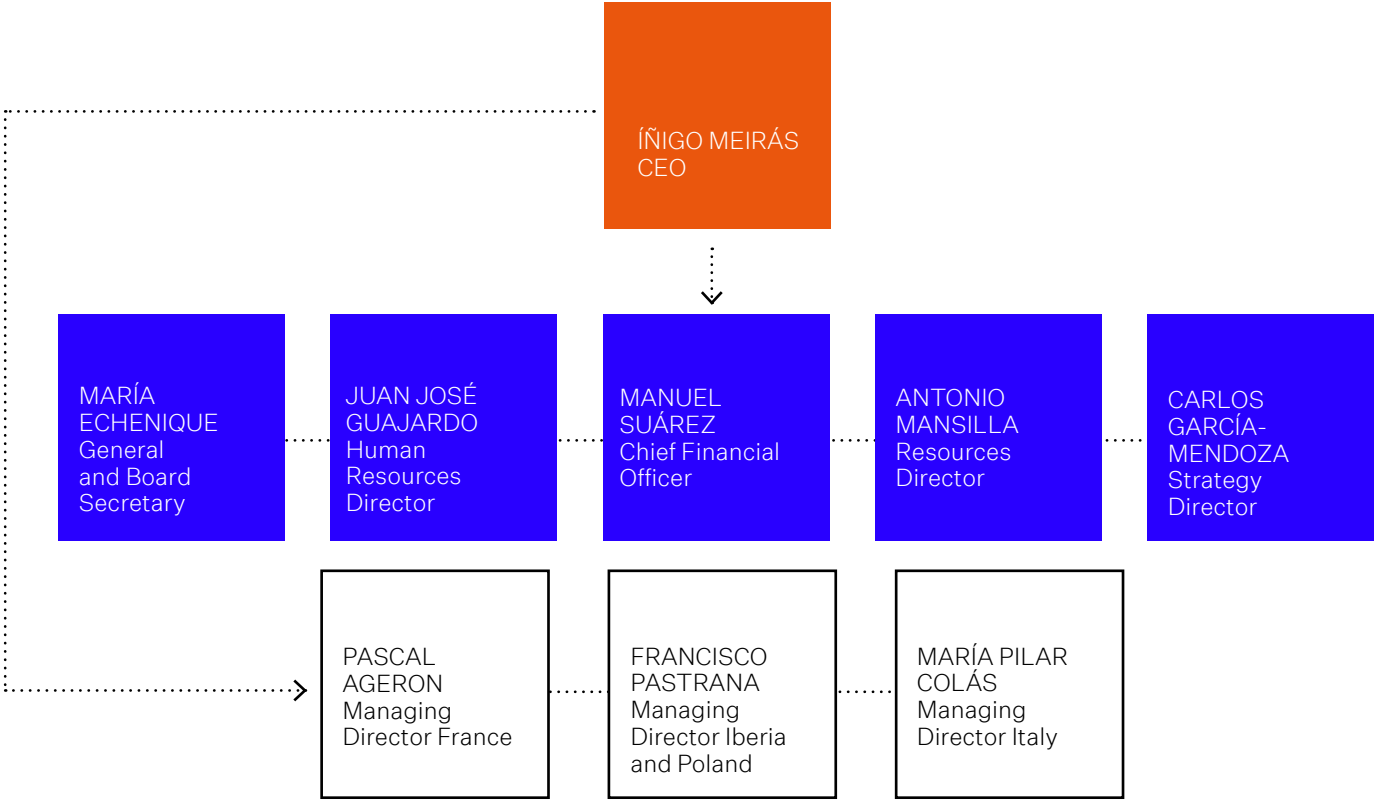
Logesta Polska (49%)

Logista Polska (100%)

Governing bodies



Operational structure and international presence



Logista’s organisational structure is headed by the Chief Executive Officer and supported by a Management Committee, comprising:

3

managing directors responsible for each geographical area, to whom the heads of the business areas from each area report and

5

corporate directors.



2. Business model

Inputs >

Financial capital

Strong balance sheet, with no financial debt and significant capacity to generate operating funds. This enables the Company to meet its business maintenance and growth investment needs.

Human capital

As a provider of quality-focused services, having specialist human capital is key to adding value. Their capacities, skills, knowledge and development plans centre on ensuring their know-how is preserved, developed and passed on, to protect our differentiation over time.

Physical capital

Our facilities, whether owned, leased or sub-contracted, enable us to develop the logistics strand of our operations according to high quality standards.

Intellectual capital

We are committed to making continual professional development and constantly improving the technology we deploy in our services, helping to preserve our differentiation and competitive advantages.

Natural capital

We use natural resources directly and indirectly for the running of our business, always ensuring an efficient usage that contributes to the sustainability of our natural environment in the long term.

Social capital and relationships

Relationships with all our stakeholders are based on mutual benefit and respect and are always focused on establishing relationships that are sustainable over time.



1

Omnichannel order-taking. Product purchasing



2

Automated order picking



3

Real-time warehousing and stock management



4

Transport and distribution



5

Billing and payment



6

Business Intelligence

Outputs >

Physical distribution of a broad range of products to **proximity networks**

Point-of-sale terminals support business development and facilitate point-of-sale management

Distribution of digital products (electronic transactions) through our **proprietary platform**

Value-added **specialist transport**

Physical and thermal product traceability

Business intelligence/ Information services

Customised services for clients

Home delivery for **online purchases**

Outcomes

Reducing environmental impact

Route optimisation

Use of **sustainable** vehicles and energy

Reuse of packaging

Target to achieve a

30% reduction in emissions by 2030 compared with 2013

Creating wealth in the community

Increased **revenue and savings** for **manufacturers** and **retailers**

c. € **64** million paid in taxes in 2021

Job creation

>5,850 employees

c. € **985** million distributed as dividends

Support for disadvantaged groups, mainly in our local area

Support for **exporting growth sectors**

Developing talent

Professional development plans

44,740 hours of training

Internal **promotion**

Operational excellence

Client satisfaction 

High proportion of **contract renewals**

Long-term relationships

To ensure a continued and open dialogue, Logista has established specific communication channels individually tailored to each stakeholder, in addition to other communication channels which are open to all of them such as the Company's corporate website.

www.logista.com

A decorative graphic consisting of two overlapping, wavy, organic shapes. The top shape is primarily orange with a gradient to blue on the right side. The bottom shape is primarily blue with a gradient to orange on the left side. The shapes flow across the bottom half of the page.

Communication channels

Logista encourages a continued, open and transparent dialogue with all of its stakeholders and society as a whole.

As such, it maintains two-way channels of communication and dialogue with all interested parties in order to take both their financial and non-financial (environmental, social or corporate governance related matters) needs and expectations into account.

In 2021, Logista has approved its Information and Communications Policy with regard to shareholders, institutional investors and proxy advisors and to sharing economic and financial, non-financial and corporate

information concerning Logista. The Policy applies to information the Company shares, or any communications, meeting or contact it has, with its stakeholders, namely, shareholders, securities markets via the Spanish Securities Market Commission (CNMV), other public bodies, financial institutions, brokers, managers and custodians of Logista's shares, investors, proxy advisors, credit ratings companies, analysts and investment banks, and generally speaking, with anyone who draws up or publishes investment recommendations or any other kind of information that recommends or suggests an investment strategy, with public opinion and with any other individual or body that determines applicable regulations.

Information is shared or published while upholding the principles of transparency, truthfulness, immediacy, relevance, consistency, adequacy and clarity.

To ensure a continued and open dialogue, Logista has established specific communication channels individually tailored to each stakeholder, in addition to other communication channels which are open to all of them such as the Company's corporate website (www.logista.com) and the Company reports it publishes each year.

Information is mostly shared or published through the following channels:

+ Spanish Securities Markets Commission (CNMV)

+ Corporate website

+ Other means of communication, for example, via the **email address used by analysts and investors (investor.relations@logista.com)**

+ Logista's Investor Relations department and **corporate communications management team**

3. Strategy





Corporate purpose

We make people's lives easier, we are expert in specialized logistics services and we offer sustainable solutions.



Mission

We promote the growth of our clients, being their trusted partner and we offer logistics solutions with high added value.

We improve efficiency by providing



innovation, to contribute to long-term sustainable development and value creation.



Vision

To be the trusted partner for high value logistics solutions.

Context

Macroeconomic context

Logista's various business operations around the world can be affected by political, social and/or macroeconomic conditions, both at the global level and, in particular in Spain, France, Italy and Portugal and, to a lesser extent, in Poland.

The COVID-19 health crisis had an inevitable impact on the macroeconomic climate during the 2021 financial year, however the extent to which it was affected varied greatly between the first and second half of the year. Despite the easing of restrictions, the pandemic continued to have a dampening effect on economic growth in the period from October to April. However, the following six months saw a significant recovery in business activity prompted by a return to stability due to a levelling out of COVID-19 cases, the successful rollout of the vaccination programme and the easing of mobility restrictions throughout most of Europe. This recovery was also supported by European funding.

Some of our lines of business are closely linked to changes in GDP and the overall performance of the global economy. The recovery in the tourism sector is having a positive impact on our convenience products and tobacco businesses. The pharmaceutical products business in particular has played a fundamental role during the pandemic, mainly with regard to logistics and transport of vaccines in Spain. Finally, the re-opening of borders between European countries and the progressive recovery of economic activity in Spain has relieved pressure on the transport business.

Although we have to factor in potential cost increases for the transport business due to the rise in oil prices, in the short to medium term, global GDP is projected to rise significantly at the end of 2021 thanks to a fully-vaccinated population. Moreover, with forecasts not pointing towards any interest rate increases that could affect consumers and household savings reaching very high levels during lockdown, we are confident that the impact of this macroeconomic context will be positive in the coming years.

Regulatory context

As in previous years, the regulatory environment in the pharmaceutical and tobacco sectors has continued to introduce more stringent requirements for checks on the distribution of products, and as such, any companies wishing to continue operating in the future must be able to comply with these requirements. To illustrate our commitment to compliance, during the 2021 financial year, the Company placed greater emphasis on developing operations linked to track & trace requirements for tobacco products, producing excellent results and highlighting the Company's excellent approach in this regard.

This not only serves as testament to Logista's unwavering commitment to strictly complying with regulatory requirements, but also to providing excellent levels of service to its clients via solutions that enable them to prepare for such requirements.



The pharmaceutical products business in particular has played a fundamental role during the pandemic, mainly with regard to logistics and transport of vaccines in Spain.

Environmental standards

There is growing demand among clients for services that meet certain environmental standards, a demand which has risen amid the COVID-19 health crisis and due to a greater awareness about these issues in society as a whole.

Logista's actions are guided by a Quality and Environment Master Plan, and a Quality, Environment and Energy Efficiency Policy that establish guidelines and good practices for optimising the use of resources and preventing pollution throughout its business processes.

Logista carries out annual checks in line with ISO 14064-3 on the main structures and processes for each business in Spain, France, Italy, Portugal and Poland, using the GHG Protocol and ISO 14064-1 as a benchmark.

Logista has significantly improved the method used to calculate its carbon footprint, now producing a far more detailed impact assessment for the main source of emissions. This information will not only help us to identify the most effective action to take to reduce emissions, it will also allow us to calculate exactly how much the measures implemented have helped reduce emissions by.

In addition, Logista is incorporating environmental concerns into the development of its strategy and has committed to achieving a 30% and 54% reduction – compared with 2013 levels – in direct and indirect emissions generated by its operations by 2030 and 2050 respectively. These targets have been set in line with the Paris Agreement and have been ratified and scientifically approved through the Science Based Targets initiative.

-30% **-54%**
emissions in 2030 emissions in 2050

Logista is incorporating environmental concerns into the development of its strategy and has committed to achieving a 30% and 54% reduction in direct and indirect emissions generated by its operations by 2030 and 2050 respectively

Logista's efforts in this area have won recognition from several international bodies. CDP, for example, has included Logista in its prestigious "A List" as a global leader in the fight against climate change – the only European distribution Company to have achieved this recognition in the last five years. This year, Logista has also been named a Supplier Engagement Leader in recognition of its work to make its clients' supply chain more sustainable, in line with a more responsible business model.

In addition, Logista is part of the FTSE4Good index, a list of companies that demonstrate sound environmental, social and corporate governance practices, and has signed up to the 'manifesto for a sustainable recovery' in Spain.

This year, KPI targets linked to environmental management have been included in employees' short-term incentive plans – in addition to those already set out in their long-term incentive plans. This reflects our commitment to continue integrating environmental sustainability into the day-to-day management of the business.

E-commerce consumption

The continuing growth of online sales, through multiple operators, generates considerable logistics requirements. Logista's outstanding quality and extensive range of services, together with balanced prices, make it an attractive logistics partner, especially for direct sales to large manufacturers.

Consumption in proximity channels

The COVID-19 pandemic sparked a rise in the number of purchases made at smaller points of sale that are closer to home. Logista distributes all types of products to 200,000 points of sale in France, Spain, Italy and Portugal, offering manufacturers simple, rapid access so that their products can be available in those establishments. This positioning will allow Logista to continue to benefit from growth opportunities through proximity channels.

Cybersecurity

Logista remains heavily invested in its cybersecurity because, through our digital transformation, we are accumulating significant volumes of electronic data from clients, employees and suppliers who need protection from increased cybernetic threats. Following an exhaustive review of external security, Logista is implementing the latest security technologies, reinforcing internal processes and implementing awareness campaigns for all employees to counteract phishing and ransomware attacks.

Next-generation products

We continue to enhance our range of new tobacco-related products to complement the traditional products on offer. These innovative products call for new value-added services that in turn provide an opportunity for Logista. The Company offers manufacturers the fastest and most effective route to consumers in Spain, France, Italy and Portugal, thanks to its extensive distribution network in each of these countries.



200,000

Logista distributes all types of products to 200,000 points of sale in France, Spain, Italy and Portugal, offering manufacturers simple, rapid access so that their products can be available in those establishments.



The continuing growth of online sales, through multiple operators, generates considerable logistics requirements.

Digitalisation

Digitalisation is driving change in how we do business, with several disruptive technologies introducing new digital products and services. Fully digitalised data and processes are increasing automation and making the smart supply chain and warehouse a reality. Decisions are based on the data available and allow the simulation of future results.

Logista has developed several notable projects in this area:

+ Technical support for both remote and hybrid working models – the latter combining on-site and remote working. General widespread use of collaborative tools, videoconferencing and remote access to business applications.

+ Robotic process automation (RPA) which means human resources can be channelled towards creative tasks and those that bring added value.

+ Digitalisation of the supply chain for the distribution of pharmaceutical and tobacco products, going far beyond strict compliance with traceability regulations in both sectors. Logista is applying the very latest scanning and image recognition technologies to digitally capture all product movements across warehouses, cross-docking platforms and delivery vehicles, thus enabling the entire supply chain to be monitored.

+ Centralised temperature control system in pharmaceutical storage containers, ensuring compliance with the storage temperature conditions required for each medicine.

+ Incorporation of artificial intelligence into the digital marketing and sales platform in the convenience products distribution businesses, enabling a clear segmentation of clients and products and thus the development of segment-specific marketing initiatives. Artificial intelligence technologies based on recognising search history and previous sales patterns are also helping marketing experts to identify market potential and simulate promotions and customer loyalty initiatives.

+ Introduction of a variety of innovative technologies such as Big Data analysis and artificial intelligence, enabling Logista's retail clients to digitalise their businesses and enhance their profitability.

Strategic priorities

1. To strengthen our consolidated businesses

One of Logista's main strategic objectives is to maintain its strong positioning in the business areas with the most consolidated business. However, given how mature some of these business areas are, it is vital to explore and develop new services to complement our distribution services. By extending our range of services we can help our clients to identify new growth areas and thus enable Logista to keep revenues in its most consolidated businesses stable.

2. To bring sustainable future growth, expanding our business base

Our long-term growth is based on continuing to develop the businesses which offer the greatest growth potential – such as Business to Consumer (B2C) distribution and pharmaceutical products logistics – by optimising the distribution of complex products and increasing the range of logistics services offered, all while continuing to provide the required levels of security and quality for each business. In addition, both our long-distance and our industrial and small parcel transport and distribution businesses provide opportunities to distribute products that require special handling, either in terms of traceability or the cold chain.

As part of the Company's growth strategy, we need to consider organic opportunities, by developing more specialist services, as well as inorganic opportunities that could help us to increase our services and/or capabilities.

Expansion into new countries where we export our business model is another core component of our future development that will bring future growth and reduce and offset any macroeconomic risks that could affect the countries in which we operate.

3. To offer excellence in our services and increase profitability through continued improvements in operational efficiency

Our commitment to our clients and our close collaboration with them to continually seek an outcome that brings a mutual benefit for us both is the main driving force that ensures we continue to maintain the highest standards in quality when delivering our services and carrying out our operations. As a consequence, we must constantly strive to maintain and increase profitability through continuous improvements in operational efficiency.

We should also highlight our commitment to sustainable growth from an environmental perspective, which is a fundamental aspect of our objective for continuous improvement. The Company has identified road traffic pollution as one of the areas in which it can make improvements to reduce its carbon footprint. In this regard, over 75% of Logista's fleet comprises Euro 5 or Euro 6 vehicles.

4. To remain financially sound in order to maintain our shareholder remuneration policy

As in previous financial years, operational efficiency, and protecting and developing internal know-how, serve as a basis for maintaining sound financial profitability and creating long-term value for all our stakeholders. This means it is important that we increase our revenue base at the right cost levels so that all those involved are remunerated fairly, and that we offer prices that reflect the level of service provided.

Business outlook

Increased last-mile transport needs for e-commerce

Retail offering tailored to sectors that **demand a high level of service in the delivery of their products**

'Smart Lockers' and delivery and collection points to meet demand, while also controlling emissions from deliveries

Increased significance of local stores in developed countries: buying local, flexible hours, etc.

Distribution networks that repeatedly access around

200,000 points of sale

in the main proximity channels

Manufacturers require transparency in their route to consumers

Development of **BI capacities**, dedicating between

30% and 50%
of the Group's total investment in technology each year

Requirement from society as a whole for a better overall use of resources in carrying out operations

As a **one-stop shop** for points of sale and for manufacturers, we offer the **streamlining of service and the flexibility needed** to translate that into resource **savings for participants and for society** as a whole

Manufacturers' need for global management of pricing policies by channel; very difficult to guarantee in local stores

Retail offering based on pricing per service, rather than on the products' positioning, which avoids distortion and leaves it up to manufacturers to set the prices for their products

Greater attention paid to the effective management of the finished product distribution chain from origin to point of sale.

We anticipate regulatory requirements, and through our retail offering we can take direct responsibility for the **entire distribution from our clients' factory door to the point of sale**, with oversight at all times of the means used to carry out the distribution, while offering **exhaustive knowledge of the specifications and specific needs of the products we distribute**. Ongoing investment in the development of technological tools to ensure the integrated management and online oversight of operations. This enables us to differentiate our service and **improve our competitive position**

Development of beneficial relationships for all stakeholders

Business model that seeks to establish long-term relationships that create value **through fair, non-discriminatory prices based on service level** for suppliers and for clients; **performance-based pay and professional development** for employees; ongoing **dialogue and collaboration** with authorities and with shareholders

Reduced specialisation of local stores and a need to broaden the catalogue of products and services

We offer a cross-sector service that supports the commercial development of points of sales and enriches their own retail offering in a simple and efficient way thanks to our business relationship with manufacturers active in different sectors

Flexibility throughout the route to market, proximity of inventories to points of sale

Our business model for operations, which offers proximity to points of sale and brings flexibility and agility in adapting to products' location-specific needs

Reduced volumes in some product categories

We help manufacturers to adapt their offering and improve their products' route to market, facilitating the launch and distribution of new categories

The fiscal year-end results can be described as very positive, the main income statement figures having grown despite the fact that there were no COVID-19 impacts until March of the previous year.

4. Operational performance in 2021



IBERIA

Economic sales (€M)

634 VAR.
6.9%
TOTAL

303 VAR.
3.5%
Tobacco and related products

291 VAR.
6.9%
Transport

83 VAR.
20.1%
Pharmaceutical distribution

17 VAR.
0.8%
Other businesses

(60) VAR.
(4.2)%
Adjustments

Adjusted EBIT (€M)

134 VAR.
19.3%

+ Tobacco and related products: Good performance, mainly due to the value-added services billed to tobacco manufacturers, which helped to offset the slight fall in tobacco volumes distributed, and the Economic Sales of convenience products distributed growth at a double-digit rate compared with 2020, explained by the influx of new customers, the rise in point-of-sale customers and the increasing demand for convenience products in these stores.

+ Transport: The situation caused by the pandemic favoured an increase in electronic commerce leading to a significant uplift in the parcel services business, while mobility restrictions and selective lockdowns brought down demand in the industrial parcel sector. However, pre-pandemic sales levels were recovered towards the end of the year as the industrial parcel business bounced back.

Long-distance transport sales improved over the course of the year, due partly to the addition and expansion of transport services for the pharmaceutical industry and the high-tech, mass consumption and fruit sectors, and to the rebound in tobacco volumes.

+ Pharmaceutical distribution: Good performance thanks to a steady influx of customers and the launch of new dedicated services for the industry, targeting both existing and new customers.

The circumstances during the pandemic gave rise to changing needs in the pharmaceutical and healthcare sectors that are being answered by Logista Pharma, such as the management of clinical trials, direct delivery of medicines to hospital patients and supply of critical medicines for COVID-19. This boosted business thanks to new customer profiles, such as public authorities and hospitals, as well as new products such as COVID-19 vaccines and healthcare and protection materials.

+ Other Businesses: Slightly stable performance despite the difficult situation in the industry.

ITALY

Economic sales (€M)

325

VAR.

6.5%

TOTAL

325

6.5%

Tobacco and related products

Adjusted EBIT (€M)

99

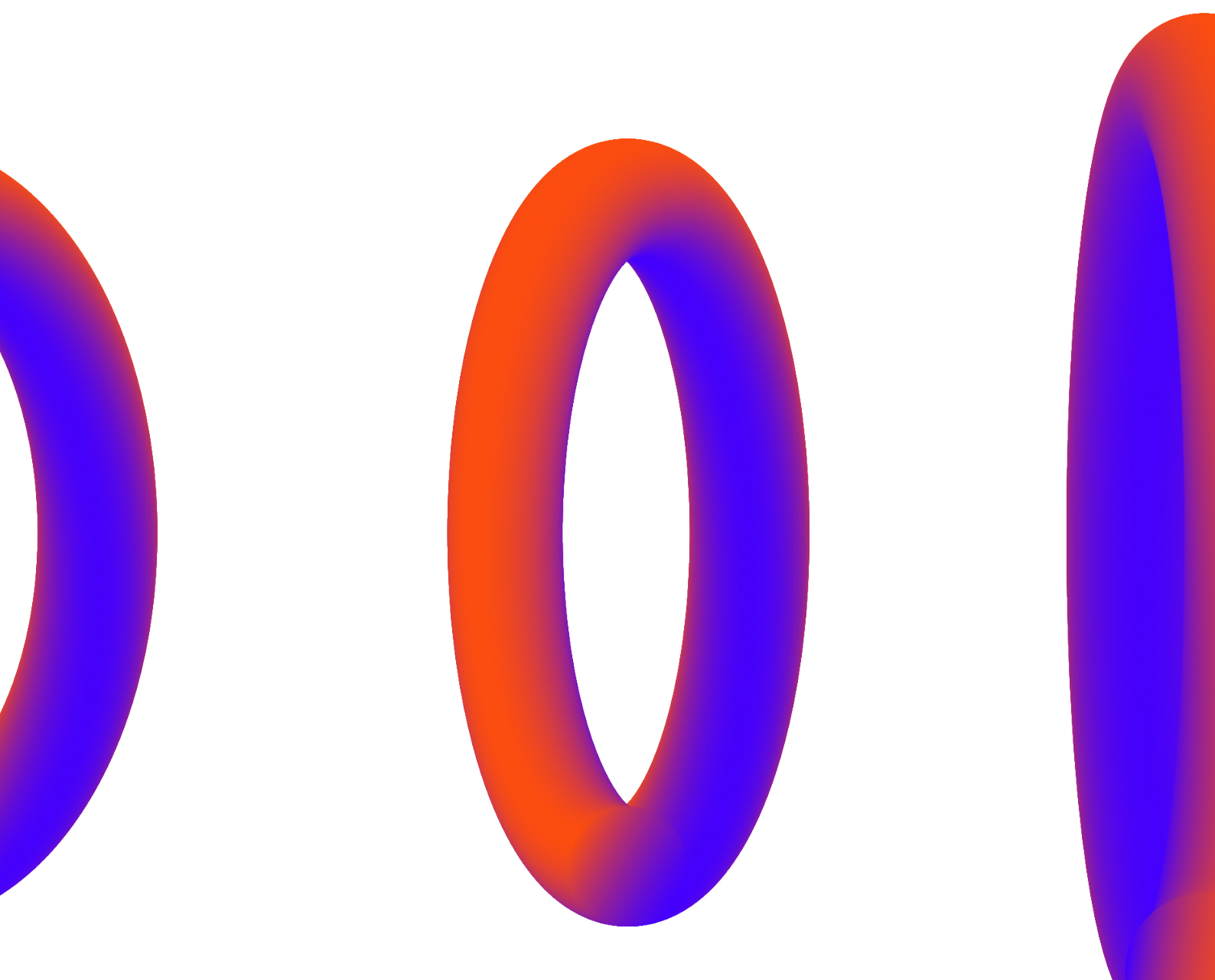
VAR.

14%

The increase in revenue from services provided to manufacturers and from the distribution of convenience products allowed Economic Sales to grow 6.5%.

+ Tobacco and related products: As regards services to manufacturers, the new tobacco product categories in Italy and the value-added services associated with this type of products are performing well.

Commercial efforts to boost growth in the distribution of convenience products focused this year on the beverages category, new agreements having been reached with manufacturers in this sector, complementing the increase in the snacks and sweets category. As a result, Economic Sales in the distribution of convenience products once again reached double-digit growth.



FRANCE

Economic sales (€M)

225	VAR. 0.2%
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TOTAL

225	0.2%
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Tobacco and related products

Adjusted EBIT (€M)

66	VAR. 1.4%
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Economic Sales rose by 0.2% thanks to growth in the distribution of electronic transactions and convenience products, offsetting the poor Economic Sales in tobacco distribution.

+ Tobacco and related products: The Company decided to classify Supergroup (the Group subsidiary engaged in distributing convenience products to points of sale other than tobacconists in France) as an “available-for-sale” asset at the end of the current fiscal year, so its results are included under discontinued operations and its Revenues, Economic Sales and results are no longer part of the France segment. The Other businesses sub-segment is no longer included in this segment, all the activities in France forming part of the Tobacco and other related products sub-segment. The corresponding figures were restated to reflect this classification and assure comparability between 2021 and 2020.

5. Corporate Governance



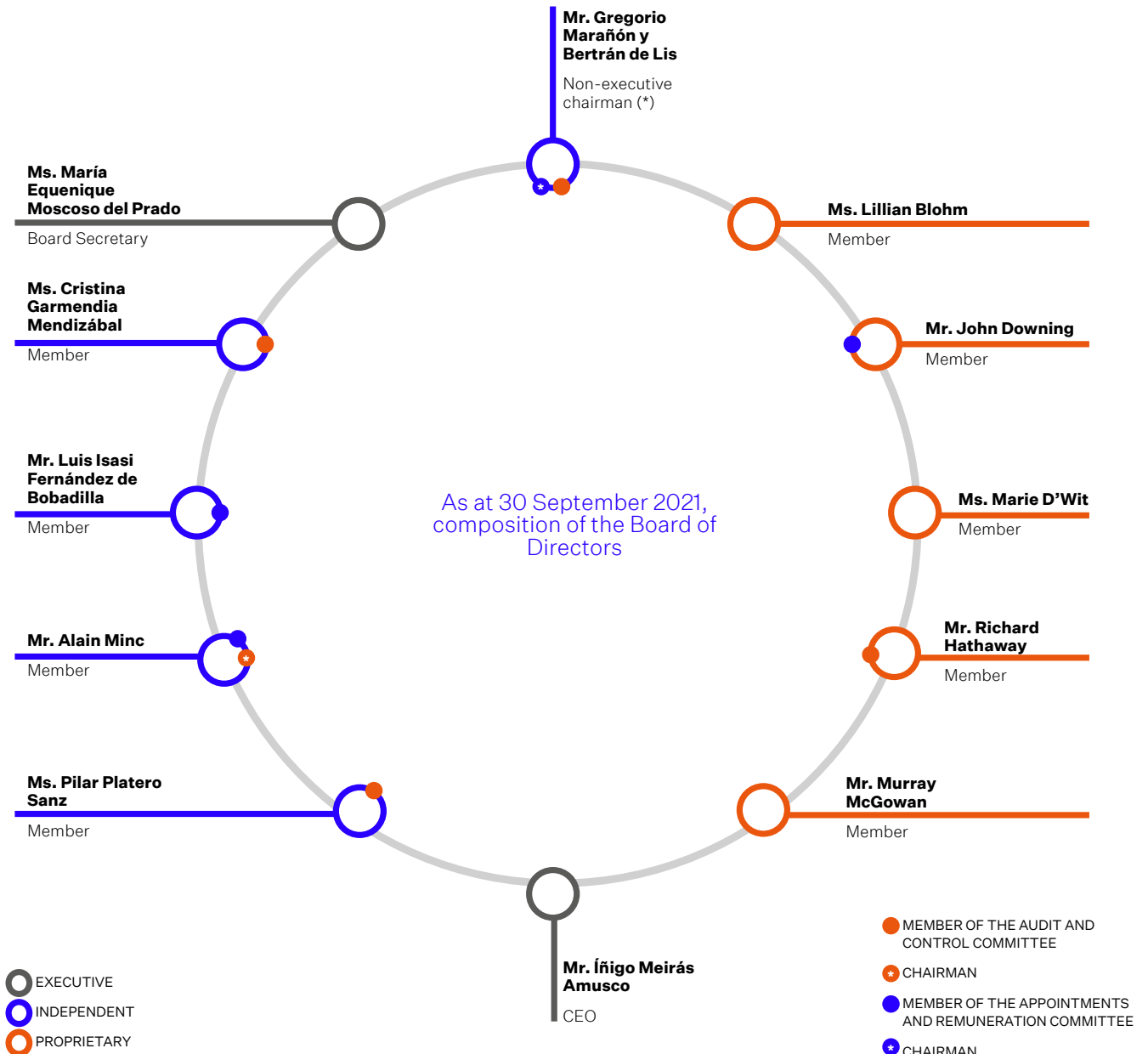
Duties and composition of the Board of Directors

With the exception of matters reserved for the Annual General Shareholders' Meeting, the Board of Directors is Logista's highest decision-making body. Its role is to represent the Company by carrying out all of the duties included in its corporate purpose, as set out in the Articles of Association.

It is the Board's policy to delegate the everyday management of Logista to the executive bodies and senior management team, focusing its own efforts on its overarching role in determining Company

strategy and overseeing the work of the senior management team. At the same time, the Board must duly attend to those matters which, pursuant to the law or to the Company's Articles of Association or Regulations, cannot be delegated to other bodies.

Logista's Board of Directors includes an Audit and Control Committee and an Appointments and Remuneration Committee, tasked with carrying out the duties required by law. The majority of these committees comprise Independent Directors.



Key actions taken by the Board of Directors in 2021

Logista Holdings' Board of Directors has been extremely active over the course of the year across its varied remit.



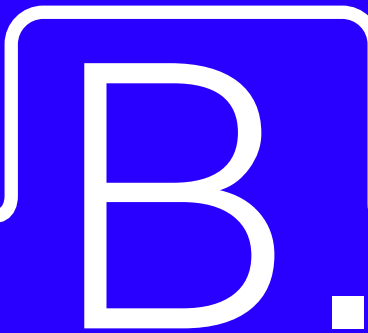
Business management and monitoring COVID-19

Throughout the year the Board of Directors has carried out its regular duties to establish the Company's general policies and strategies, boost operations, and monitor the performance of the business areas and their economic and financial situation. In this regard the Board is delighted to report that the Company has achieved excellent results in the context of a financial year that is still influenced by the effects of the pandemic.

Having established Logista's resilient business model and the strong performance of its businesses, the Company has monitored the impact of COVID-19 from two other key perspectives:

+ Firstly, the Board has focused its **attention on the operations of the Group's pharmaceutical distribution business**. In this regard, it is important to mention that the Board is extremely proud of the important role played by the Company in the fight against COVID-19 by distributing vaccines, in conjunction with several public authorities.

+ Secondly, the Board **has monitored the health crisis to ensure all employees are adequately protected**.



Actions in relation to corporate governance and compliance

Based on its **firm commitment to transparency and good governance, the Board of Directors has embarked on a comprehensive review of the Company's internal rules and regulations**, with a view to simplifying them and improving best practices in corporate governance. The process was completed when the new Articles of Association and the new Annual General Shareholders' Meeting Regulation were presented at the Annual General Shareholders' Meeting and unanimously approved by the shareholders. The Board of Directors Regulations were also amended in line with these documents to strengthen the Company's commitment to gender diversity, based on its objective to ensure at least 40% of the Board members are women. Therefore, it is envisaged that Logista will be compliant with the CNMV's good governance recommendations in approximately two years. A number of corporate policies (the Sustainability Policy, Corporate Governance Policy, etc.) have also been revised to adapt to the CNMV's new recommendations.

Firstly, with regard to compliance, the instruments setting out the Group's ethical commitment have been reinforced. As part of the same exercise, the Company's **Code of Conduct** has also been updated this year and adapted to reflect its current circumstances. A new Anti-Corruption Policy has been approved and the **Manual on the Prevention of Money Laundering and the Financing of Terrorism has been updated**.

The Board has also pressed ahead with developing a **Group compliance model**. This has been managed primarily by the Audit and Control Committee. In this regard, in addition to its regular reporting duties, the Board has updated and expanded the Criminal Risk Map and controls matrix.

C.

Encouraging strategic debate

The Board believes that engaging in **strategic reflection** is one of its most important roles. Accordingly, it has been particularly attentive to these aspects this year, focusing on procedures for reappointing Board members and Board discussion, including a day specifically for strategic reflection.

D.

Risk management

The **Board of Directors has continued with its commitment to maintaining an effective risk control system**, therefore it systematically reviews the Company's risk management model. The Board has made improvements to the risk management governance model, included in the recently approved Risk Management Policy.

E.

Board member remuneration

In line with its commitment to transparency, the Board of Directors has **simplified the long-term remuneration model for executive Board Members** and has consolidated the previous share award plans into a single instrument. The maximum remuneration amount has not been increased. The respective Remuneration Policy proposal was tabled at the Annual General Shareholders' Meeting. This Policy, which included other technical amendments, was approved at the 2021 Annual General Shareholders' Meeting.

Evaluation of the Board of Directors

In accordance with the recommendations contained in the Good Governance Code for Listed Companies, the Board and its Committees are evaluated on an annual basis to assess the quality and efficacy of their performance. The Chairman of the Board, CEO and Board Secretary are also evaluated as part of this exercise. Every three years, this evaluation is reviewed by an external advisor.

In 2021, the results of the internal evaluation were highly satisfactory. However, areas for improvement have been detected, basically aimed at strengthening the strategic debate and deepening the monitoring of risks. The Board of Directors has now produced an Action Plan to support progress in these areas.

Diversity in Board appointments and reappointments

Following approval of the Board skills matrix in the last financial year, the Board has been particularly careful to ensure it upholds its commitment to diversity when considering procedures for board member reappointment this year. In particular, when

reappointing members, it has ensured female representation on the Board remains at 42% and has strengthened the strategic profile of its members.

Board of Directors' remuneration model

When determining its Remuneration Policy, the Company has regard to both the relevant regulations (particularly those applicable to listed companies) and to the objectives set out in its Business Plan, which in turn conforms to the principles and recommendations of Good Corporate Governance, best market practices and the guidelines issued by institutional investors and proxy advisors.

Every year, the Company publishes information on Board Member remuneration in its Integrated Annual Report, Annual Accounts and Annual Report on Board Remuneration.

Board Members receive a fixed monthly salary plus an attendance allowance paid at

a flat rate. They also receive an additional attendance allowance for any Committees on which they sit. Only executive Board Members receive performance-related pay.

The current Remuneration Policy, which was drafted with external advice, was approved at the Annual General Shareholders' Meeting on 4 February 2021. The results of the vote were as follows:

Number of shares	Percentage of share capital in attendance
In favour: 80,722,799	74.7288%
Against: 26,360,727	24.4034%
Blank ballots: 184	0.0002%
Abstentions: 937,172	0.8676%

Agenda for the Annual General Shareholders' Meeting on 4 February 2021

+ Approval of the Annual Accounts

(Balance Sheet, Income Statement, Statement of Changes in Equity, Cash Flow Statement and Notes to the Accounts) and Management Report of Compañía de Distribución Integral Logista Holdings, S.A. and the consolidated Group, for the financial year ending 30 September 2020.

+ Approval of the consolidated statement

on non-financial information for the financial year ending 30 September 2020.

+ Approval of the Board of Directors' management

performance during the financial year ending 30 September 2020.

+ Approval of the application of the result for the financial year

ending 30 September 2020 of Compañía de Distribución Integral Logista Holdings, S.A.

+ Board member ratification and appointment.

+ Amendments to Articles of Association, General Shareholders' Meeting Regulation

and information about amendments to the Board of Directors Regulations.

+ Approval of the Board Remuneration Policy

2021–2023.

+ Examination and approval of the Long-Term Incentive Plan 2021-2023.

+ Delegation of powers to the Board of Directors

+ Advisory vote on the Annual Report on Company Directors' Remuneration for the financial year ending 30 September 2020.

Tackling corruption and bribery

Logista has put in place a number of corporate policies and an internal control system aimed at preventing any conduct falling into the “criminal risks” category, whether on the part of managers, directors or any other employee of the Group. Examples of such criminal conduct include corruption, bribery and money laundering.

The Company takes issues relating to ethics and the fight against corruption seriously. The Board of Directors is committed to fulfilling its social responsibilities by adopting all necessary measures to coordinate, oversee and monitor action in response to potential crimes or criminal risks, including those listed below.

+ All directors and employees must adhere to the Company’s **Code of Conduct**, which is available on the Group’s Intranet and corporate website (www.logista.com). Among other provisions, the Code sets out the procedures to be followed when working with civil servants or government representatives. This document expressly forbids offering, giving or receiving payments, gifts or preferential treatment contrary to the law, which may have an influence on the normal course of business, governance or professional relationships or secure an undue advantage for Logista.

+ The **Company’s Criminal Risk Prevention Manual**, which was updated in 2020, and adapted to the applicable laws of the countries where the Group operates, this Manual sets out principles and objectives of all Logista’s Companies in Spain concerning criminal risk prevention, and the main internal processes established to prevent and mitigate any action that could bring a risk of criminal liability.

+ There is a **Compliance Committee that reports to the Audit and Control Committee**, to oversee the operation of and compliance with the Regulatory Compliance System. The Committee is built around three fundamental pillars: Code of Conduct, Criminal Risk Prevention Manual and Whistleblower Channel. The Committee is formed of representatives from the following corporate areas: Legal Department, Internal Control, Resources and Human Resources.

Group employees at all levels are informed of the importance of following the Criminal Risk Prevention Manual, adopting the principles set out in the Code of Conduct and carrying out their professional tasks in an ethical and diligent manner.

In the event of a breach of Logista’s Code of Conduct, the relevant employee(s) will be subject to a disciplinary process and possible sanctions. Any incident involving the bribery of a public or private body or the failure to comply with the established Collection and Payments Management Policy will be treated as grave misconduct.

+ There is a **Whistleblower Channel that all directors, employees and authorised third parties (suppliers, clients, subcontractors, etc.)** can use to submit an anonymous, confidential complaint, to the extent permitted by applicable national legislation, about any form of irregular practice, breach or behaviour whatsoever that is contrary to Logista’s ethical values or internal policies, the Code of Conduct or the law.

The Compliance Committee reports any complaints received, and any investigative action taken or procedures conducted by Logista, to the Audit and Control Committee on a regular basis.

No reports in relation to crimes of bribery, corruption or money laundering were received during the 2021 financial year.

During the 2021 financial year, Logista's Board of Directors approved the following:

+ A new **Code of Conduct for the Group**, replacing the previous one, which sets out the standards and ethical principles governing the Group's activities, sets the conduct requirements that all members of the Group must comply with in their day-to-day work and serves as the key basis for the Group's Policies and Procedures. It also expressly recognizes a business culture and philosophy based on the principles of compliance with laws, honesty, integrity in management and transparency in the Group's actions and relations with its shareholders, workers, suppliers, customers, communities and other "stakeholders" or interested parties.

+ The **anti-corruption policy** which establishes general principles for preventing corruption, guidelines on behaviour with third parties, whether public or private officials, and the set of rules concerning gifts, hospitality, promotional events and donations.

+ **Updating the Manual for the Prevention of Money Laundering and Terrorist Financing** including last regulatory modifications, which complements and expands on obligations that apply to all Group Companies in Spain.

Logista's supervisory bodies also carry out periodic checks on any process or activity that could potentially be affected by any of the criminal risks listed above, and the model is revised as necessary and checked to ensure it complies with the established regulatory compliance system.

During the financial year, no risks arising from circumstances of corruption and / or bribery have materialized that should be taken into account in order to establish contingency plans or other measures.



No reports in relation to crimes of bribery, corruption or money laundering were received during the 2021 financial year.

Human Rights

Logista conducts its business based on ethical values, transparency and active communication. These core values are at the heart of its Corporate Governance Model. Its commitments include:

+ Promoting best corporate governance practices through ethical, responsible and honest management of the business.

+ Encouraging transparency and communication with its different stakeholders.

+ Implementing the principles of the United Nations Global Compact into its business activities. This model also upholds the provisions of the International Labour Organisation (ILO)'s fundamental conventions regarding freedom of association and the right to collective bargaining, in addition to the principles and guidance contained within the United Nations Guiding Principles (UNGP) on Business and Human Rights and the European Social Charter.

Logista complies with the applicable labour laws, rules and regulations, with full respect to the fundamental right of trade-union freedom, and, managing the relations with the workers' representatives and Trade Unions in a fluent and transparent manner. All employees have the right to decide to join or not a trade union, or to have recognized employee representation in accordance with applicable law.

In addition to monitoring activities carried out by the Compliance Committee, employees can report any act, conduct or omission that could amount to a human rights violation to the Whistleblower Channel. All complaints received are also reported to the Audit and Control Committee. However, given the nature and geographical range of our activities and the robust regulatory framework in place, the Group does not tend to encounter any relevant risk exposure such as those potentially associated with forced and/or child labour.

During the 2021 financial year, the Company did not receive any reports of incidents relating to respect for freedom of association and the right to collective bargaining, job discrimination, forced or child labour or any other Human Rights violation or concern in any country in which Logista operates.

Logista's commitment to complying with the provisions of fundamental ILO conventions and the United Nations Global Compact is reflected in the following procedures and the monitoring activities carried out by the Compliance Committee and the other supervisory bodies:

Code of Conduct: The Code requires the Group's employees to promote and uphold Human Rights such that:

+ They are obliged to respect the dignity and human rights of all other members and third parties they come into contact with in the development of their activities.

+ They will never use, or permit to be used, forced or trafficked labour, neither employ any person under 16 years old, or less than the local minimum employment age or mandatory school age (whichever is higher) nor to employ any person under 18 years old to undertake any work which is considered hazardous or likely to harm the health or safety.

+ We require our suppliers to comply with their labour obligations to their workers, to respect workers' labour and union rights and to pay wages that comply with the statutory minimum or the collective agreements in force, whichever is higher. Human trafficking or forced labour are strictly forbidden. Likewise, our suppliers are required to promote integrity, teamwork, diversity and trust, ensuring a fair and respectful workplace free from any type of harassment, discrimination or any other form of degrading behaviour, and to promote a positive health and safety culture, prohibiting unacceptable or potentially hazardous behaviour at work.

+ Logista members must conduct their business activities in a manner that promotes and respects human rights, and must not fail to speak up if they see a human rights violation.

+ All members of the Group have the right to work in an environment that is free from intimidation, harassment and abuse, expressly prohibiting this type of conducts.

+ Members of the Group must create a work environment where colleagues can contribute, develop and fully utilize their talents, demonstrating respect for others keeping an open mind to new ideas, various cultures and customs and different points of view.

+ It is expressly forbidden to discriminate based on race, colour, gender expression, gender identity, ethnic, religion, social class, politics, citizenship, sexual orientation, marital status, disability or any other protected ground as established by law.

General Recruitment Protocol, Internal Selection Guide and Employee Competence Guidelines: these documents establish a set of general principles for line managers, to be applied in recruitment and candidate selection. They also provide clear guidance on the correct approach, tools and allocation of responsibilities for recruitment, selection, onboarding and performance evaluation. They establish guidelines to ensure each position is held by qualified staff.

Logista promotes gender equality in candidate selection. For example, it is standard practice across the Group that the shortlist of candidates for any post should include at least as many women as men.

General Principles of Conduct for

Suppliers: this document stipulates the minimum standards and requirements for everyday conduct that the Group's suppliers must observe at all times, both in their dealings with Logista and with respect to their own employees and any third parties involved in their operations.

All suppliers must understand and accept these Behavioural Standards, which are contractually binding on all suppliers who enter into an agreement with a Group Company. Logista may terminate its contractual or business relationship with any supplier that fails to either comply with the Behavioural Standards or, in the event of an accidental breach, take the necessary measures to resolve the situation.

Group Procurement Guidelines: This document establishes that all suppliers must be duly authorised and have demonstrable financial and technical capacity. Furthermore, all contractual relationships are governed by the Principles of Ethical and Professional Conduct (among others), which states that employees must behave ethically and professionally at all times.

Respect for human rights is a material concern for the Company.



During the 2021 financial year, the Company did not receive any reports of incidents relating to respect for freedom of association and the right to collective bargaining, job discrimination, forced or child labour or any other Human Rights violation or concern in any country in which Logista operates.

Risk and opportunity management

An integrated risk management system to support the achievement of the Company's objectives and to further advance its strategy

Logista's Corporate Risk Management system is outlined in its General Risk Management Policy, approved by the Board of Directors on 28 June 2020, and updated on 22 September 2021, as well its procedure, in accordance with the 2017 COSO ERM Framework.

They set out the Company's general protocols for controlling and managing all forms of external or internal risk to which Logista may be exposed, at any point in time, in the pursuit of its objectives:

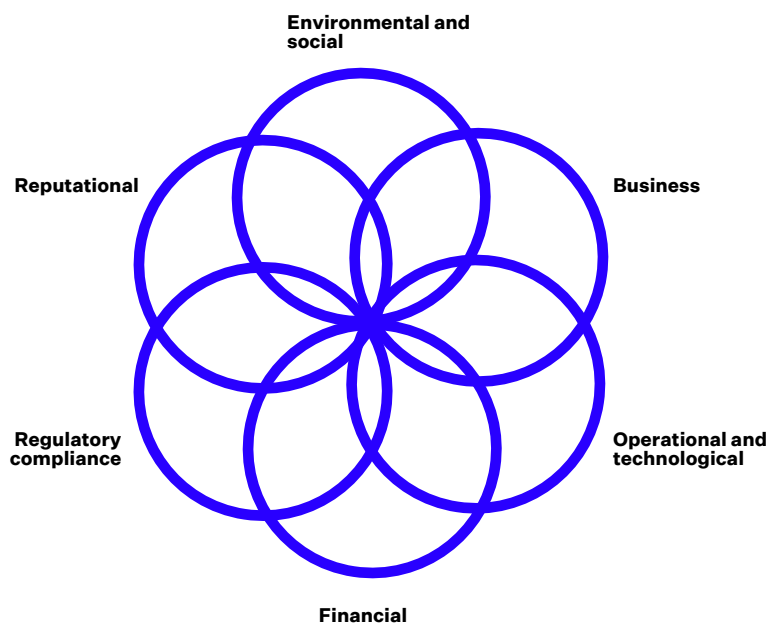
The Policy's overarching objective is to support the Board of Directors and management teams in their efforts to optimise the Group's results and ultimately enhance its capacity to create, sustain and realise value.

It applies to every business area, department and country of operation (Spain, France, Italy, Portugal and Poland), thus providing a global overview of all risks that Logista may encounter.

In particular:

- + Identifying and managing risk across the Group.
- + Obtaining reasonable assurance that the Group's objectives can be met.
- + Participating in and supporting decision-making processes.
- + Determining risk profile and appetite.
- + Establishing a common language and methodology with respect to risks.
- + Facilitating efficient resource allocation.
- + Ensuring the reliability of financial and non-financial information.
- + Setting guidelines for transparency and Good Corporate Governance.
- + Assigning responsibilities to participants.
- + Expanding the range of available opportunities.

General protocols for controlling and managing all forms of external or internal risk



Governing risk management

The corporate bodies responsible for devising and implementing the Risk Control and Management System are as follows:

+ Board of Directors

- Determining the risk control and management policy, including fiscal risks.
- Supervising the internal reporting and control systems.
- Determining the level of risk to be assumed by Logista.

+ Audit and Control Committee

- Supervising and evaluating control and financial and non-financial risk management systems.
- Directly overseeing the Risk Control and Management Unit.

+ Management Committee

- Defining a risk strategy and ensuring the efficacy of the Company's risk management systems.
- Communicating to the Risk Owners the guidelines that may be determine.
- Supervising the most relevant risks and making decisions about major risks.
- Promoting and disseminating a risk and control culture among all its employees.
- Advising the Risk Control and Management Unit on any relevant matters.
- Making, when required, a proposal for risk appetite and tolerances for approval.

+ Risk Control and Management Unit (through the Corporate Internal Audit Directorate)

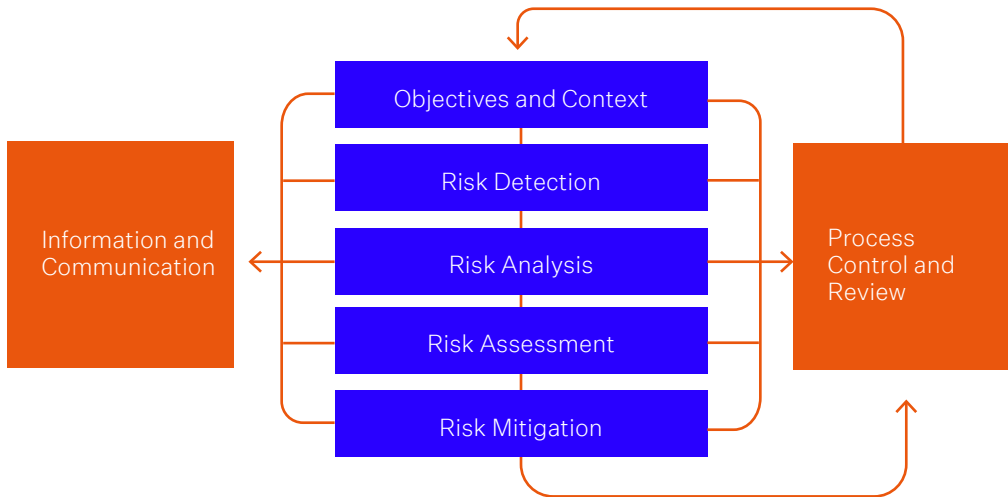
- Coordinating Logista's risk identification and evaluation process, supporting the Risks Managers in this process, supervising that the main risks are identified, evaluated and managed in such a way that they are at the risk levels that are considered acceptable. Ensuring the proper functioning of the Risk Management system.
- Keeping the Logista Risk Map update
- Cooperating with the Management Committee in the definition of Logista's risk strategy and providing support in the relevant decisions that said Committee must adopt in terms of Risk management.
- Ensuring that the risk management system offers risk mitigating measures in line with Logista's Risk strategy.
- Periodically reporting the status and evolution of the main risks, as well as the result of the process of updating and evaluating them to the Management Committee, as well as prior to their reporting to the Audit and Control Committee and, where appropriate, when applicable, to the Logista Board of Directors.

+ Risk and Processes Owners

- Executing the Risk strategy established by the Management Committee and any guidelines determined by Logista's organizational units in terms of Risks, at all times in relation to Risk Management.
- Detecting situations of risks and opportunities that affect the achievement of Logista's objectives within its area of responsibility.
- Reporting their risks, through their participation in the risk reporting process established for this purpose and through the tools made available to them, and communicating to the Corporate Internal Audit Directorate how many risks arise, the plans and mitigating actions proposed, as well as the degree of advancement or implementation thereof.
- Analysing and evaluating the identified risks they face in achieving their objectives, according to the available methodology.
- Defining the most appropriate response for each of its risks, identifying and / or where appropriate, designing and defining the control activities and internal standards necessary for managing its risk.
- Ensuring and promoting that the control activities designed for each of the identified risks are carried out in a timely manner.
- Supervising the implementation of the different action plans and corrective actions defined for mitigation.

Process for identifying, evaluating and mitigating risks

Logista’s risk management process is based on the following framework:



Objectives and Context

Logista determines its strategic objectives and operational scope, both internally and externally, with due regard to stakeholder interests. In turn, this perspective has an influence on its risk management approach. The Company also defines its risk appetite, i.e. the level of risk it is willing to accept in the course of its operations and its risk tolerance. Broadly speaking, risk appetite is categorised as follows:

+ Low risk tolerance profile

Logista seeks to comply with all laws, regulations, standards and tax rules to which it is subject.

+ Moderate risk tolerance profile

Towards risks that do not threaten the Group’s capacity to:

- achieve its strategic objectives while limiting uncertainty;
- maintain the strongest possible shareholder guarantee;
- protect its results and reputation;
- defend the interests of its shareholders, clients and manufacturers.

+ Higher risk tolerance profile

Towards plausible technological risks, given that Logista’s strategic objectives include providing logistics services with high added value and, therefore, involving advanced technological solutions.

These baselines for risk appetite and tolerance are a tool for achieving the optimum balance between risk and opportunity.

Risk detection

Risk detection refers to the identification of future events that could potentially pose a threat to Logista’s objectives, whether through interviews or self-assessment questionnaires.

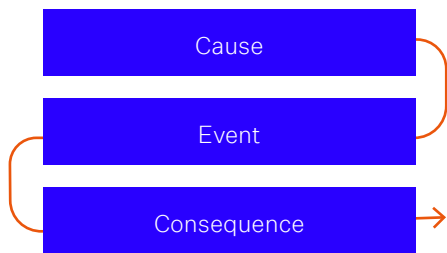
Risk analysis

All risks must be recorded in such a way that they can be readily understood and, especially, used to facilitate decision-making. Each risk should be defined by reference to its causes and contributing factors, as well as the consequences for Logista were it to materialise.

Risk assessment

During this stage, the severity of each risk is assessed in order to prioritise those of greatest concern. The criteria used to explore potential impacts on Logista are: regulatory compliance, economic/financial, health and safety, operations, reputation and strategic context.

A parallel assessment looks at the mitigation measures adopted by Logista in response to the identified risks, to derive what is referred to as the “residual risk”. This exercise also evaluates the speed with which the risk could potentially materialise, which determines its ranking in the overall risk appetite and risk tolerance framework.



Risk mitigation

Logista's response to the risk is analysed and categorised according to the following response types:

+ Eliminate:

take all possible measures to negate the likelihood of the risk occurring and/or its impact, so that the risk effectively disappears or is eliminated.

+ Mitigate:

take any necessary action to lessen the potential consequences should the risk materialise.

+ Transfer:

assign the consequences associated with the risk, should it materialise, to a third party.

+ Accept:

take no action, absorbing the potential consequences should the risk materialise.

+ Pursue:

accept a greater degree of risk where this is offset by a potential performance gain. When choosing to pursue a risk, managers must understand the nature and scope of any changes required to achieve the desired performance gain without exceeding the acceptable limits of tolerance.

Action plans should also be put in place.

Process control and review

The risk management process is continuously monitored and revised, with a particular focus on emerging risks, the ongoing development of known risks, obsolete risks and materialised risks.

Information and communication

All actors implicated in Logista's Risk Management Model are required to store and manage relevant information through tools such as the Risk Register and the Risk Map.

Twice a year, the Audit and Control Committee carries out a review of material risks, response strategies and mitigation plans, including those relating to fiscal matters, before approving and distributing Logista's Updated Risk Map. In the two quarters when this full review does not take place, the Audit and Control Committee is informed of the most significant developments in relation to material risks. This mechanism allows for the identification of new threats and for sufficient advance

warning for effective Risk management.

The Committee submits quarterly reports on its work in overseeing the Risk Control and Management System to the Board of Directors. In this way, the Group seeks to foster an appropriate setting and philosophy for risk management, through targeted communication with both the Audit and Control Committee and the Senior Management Team.

In this sense, the Management Committee has discussed the main risks and their response plans, as well as the most relevant risks by business (regardless of their position on the corporate risk map), which facilitates decision-making by lower level, and approving the Logista's Risk Map.

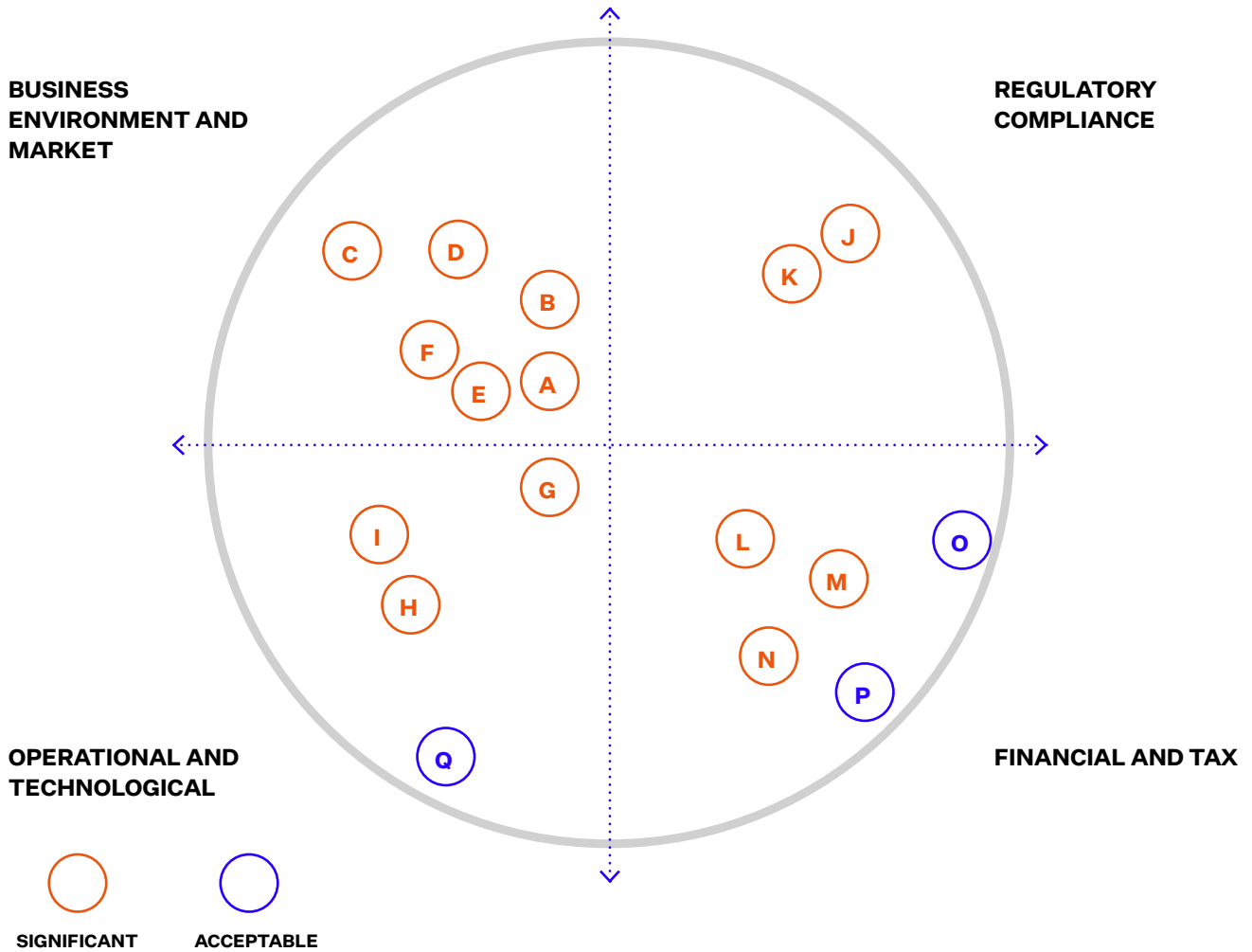
Likewise, the Board of Directors and the Audit and Control Committee have received additional periodical information in accordance with their responsibilities, from the Risk Control and Management Unit about the main risks of Logista.

The Board also held a specific discussion session on determining Logista's risk appetite and tolerance levels.

“Breakdown of material risks”

The Corporate Risk Map identifies the following most significant risks for Logista, which are categorised in accordance with the framework set out in the General Risk Management Policy.

Additionally, other risks are included which, although they are at an acceptable level, are also of interest.



Type of risk	Description	Response planning
Business environment and market risks		
<p>A COVID-19 pandemic and its impacts</p>	<p>The current situation continues to be dominated by the coronavirus pandemic. There is still a degree of uncertainty about how the pandemic will evolve given infection rates and the prospect of new restrictions due to potential new variants of the virus and the impact this could have on the economy, employment and consequently, consumers.</p>	<p>Thanks to the plan implemented by Logista at the start of the Coronavirus pandemic, the Company has continued to adapt its operations to the new circumstances by introducing and readjusting corrective and contingency measures, together with various initiatives to protect employees and partners that have enabled it to continue operating. Further details on the measures implemented by Logista can be found in the Client Satisfaction section, which includes examples of new services developed in response to client needs during the pandemic.</p>

Type of risk	Description	Response planning
<p>B</p> <p>Macro-economic, political and social environment and changing consumer habits</p>	<p>Logista's various business operations around the world can be affected by changes in political, social and/or macroeconomic conditions, both at the global level and, in particular, in Spain, France, Italy, Portugal and Poland. The Group may become subject to new regulations or be affected by structural changes that affect clients' purchasing power. Similarly, changes in consumer habits and patterns may have an impact on its business performance.</p>	<p>Logista continuously monitors the performance of its various businesses and any developments in the regulatory, social and political environment, adapting its strategy and objectives to changing conditions in the countries where it operates.</p>
<p>C</p> <p>The illicit tobacco trade</p>	<p>As a result of the economic crisis and rising unemployment levels, there is a risk that illicit trade in tobacco and counterfeit tobacco products will become significantly more prevalent. This could have an adverse effect on the volume of tobacco products distributed by Logista.</p>	<p>Product traceability is now subject to more rigorous protocols, as required by Directive 2014/40/EU of the European Parliament and of the Council of 3 April 2014. This directive establishes stricter standards in relation to labelling, ingredients, traceability and cross-border sales, among other aspects, which could have a bearing on the volume of tobacco sold.</p> <p>All EU member states in which the Group operates have already incorporated the Directive into their national legislation.</p> <p>Logista cooperates with national law enforcement and security forces to tackle illicit trade.</p>
<p>D</p> <p>Market liberalisation in countries where the Group operates</p>	<p>Market liberalisation of the main markets in which Logista acts as an authorised distributor of tobacco products within the context of a state retail monopoly could have an impact on the Group's results if it fails to take certain measures, which have already been identified.</p>	<p>The consequences of market liberalisation in the main markets in which Logista acts as an authorised distributor for tobacco products within the context of a state retail monopoly, may adversely affect its profits. However, such effects would be mitigated by the Company's capacity to distribute tobacco through an extensive network of outlets and an effective diversification strategy.</p>
<p>E</p> <p>Development of other business areas</p>	<p>Risks inherent in the successful expansion of Logista's different businesses to offset a possible faster rate of decline in the tobacco market together with a misalignment with the market with regard to sustainability policies.</p>	<p>Expansion plan, as established in Logista's strategic plan</p>
<p>F</p> <p>Digital disruption</p>	<p>Aside from benefits and opportunities, digitalisation brings risks associated with having an unsuitable strategy for defining and implementing technology, which could affect the viability of our business models, as well as our competitiveness, due to costs associated with lost opportunities. The rapid increase in the use of new technologies in our operations, together with the inherent risks associated with such a change, impacts on organisational models and our control framework.</p>	<p>Digital transformation forms an integral part of Logista's strategy and is reflected in our new approach to client relationships, competition, data, innovation and values.</p>
<p>Operational and technological</p>		
<p>G</p> <p>Cybersecurity</p>	<p>Systems damage from deliberate third-party attacks. Logista is exposed to various threats and vulnerabilities due to its use of technology and information systems across all of its daily operations. This presents a risk to information security and to system continuity, and may lead to privacy breaches, information loss or the theft or fraudulent use of data.</p>	<p>The Company has developed a Cybersecurity Plan, which should be regularly updated. This document sets out specific measures to counter these risks, such as external and internal intrusion testing, preventative digital monitoring and checks on the level of service delivered by providers contracted to manage and administer Logista's IT infrastructure.</p>
<p>H</p> <p>Risk of theft</p>	<p>Theft of tobacco from the Company's facilities or during transport may result in higher insurance premiums.</p>	<p>Adopting the most rigorous security standards possible and taking out Insurance Policies reduce both the likelihood of theft and the impact on tolerable risk levels.</p>

Type of risk	Description	Response planning
<p>I</p> <p>Availability of information systems, safeguarding assets and business continuity</p>	<p>There is a risk that a shock event could bring the Company's operations to a standstill, or that the business continuity plans designed to ensure a timely and appropriate disaster response fail to assure the continued availability of Information Systems, the level of service and safeguarding of assets they routinely provide.</p>	<p>Contingency plans should be in place and periodically tested to assess their effectiveness. The Group should continuously monitor the levels of service promised by Logista. This will allow us to assess the need to invest in essential assets for the Company and ensure its stocks, among other things, are protected.</p>
<p>Q</p> <p>Commitment to the environment</p>	<p>There is growing client demand for services that meet certain environmental standards. Consequently, there is a risk Logista will not be able to fulfil its commitment to developing good practices with regard to quality and the environment. These practices are designed to reduce the impact our activities have on the environment, optimise the use of resources and prevent pollution in business processes, in accordance with regulations (reducing our carbon footprint, using renewable energy sources, waste management, collaborating with environmental bodies and institutions and complying with energy efficiency standards).</p>	<p>In this respect, Logista has developed a Quality and Environment Master Plan and a Quality, Environment and Energy Efficiency Policy that establish guidelines and good practices for optimising the use of resources and preventing pollution throughout its business processes. Pursuant to the ISO 14064 standard, the Group calculates its carbon footprint using the methodology set out in the GHG Protocol.</p> <p>Logista's efforts in this area have won recognition from several international bodies. CDP, for example, has included Logista in its prestigious "A List" as a global leader in the fight against climate change – the only European distribution Company to have achieved this recognition in the last four years.</p>
<p>Regulatory compliance</p>		
<p>J</p> <p>Regulatory risk</p>	<p>Logista's business operations must be compliant with numerous laws and regulations, both general and sectoral. These may apply at the European, national, regional and local levels in any country of operation. This exposes Logista to risks arising from potential breaches and associated sanctions.</p>	<p>Logista continuously monitors the regulatory and legislative environment for changes that may affect its activities, aiming to anticipate such changes as early as possible to allow for effective management. The Group has also produced various specific standards and procedures to govern its framework for action, in addition to criminal risk prevention models. These measures reflect a "zero-tolerance" approach to fraud and corruption.</p>
<p>K</p> <p>Legal action</p>	<p>In the normal course of its business, Logista may become involved in legal disputes, either as the claimant or as the defendant. These may arise from differences in the interpretation of laws, regulations or contracts or as the result of legal action brought against them, the outcomes of which are uncertain by nature.</p>	<p>Establishment of specific standards and procedures to govern the Group's framework for action, in addition to criminal risk prevention models for each of Logista's companies.</p> <p>Legal defence and procedures for managing and monitoring legal actions, with external expert advice as appropriate.</p> <p>The Corporate Legal Advice Department coordinates a review of the Group's most significant contracts to ensure strict legal compliance.</p>
<p>Financial and tax</p>		
<p>L</p> <p>Changes to Logista's payment cycles or to fiscal policy</p>	<p>Like any other wholesale business, Logista's purchasing and revenue cycles are staggered. This means that outgoings to tobacco manufacturers and incomings from retail outlets may not always be in balance. Moreover, Logista's tax obligations must be settled according to a different cycle again.</p> <p>Changes to the tax payment cycle or significant increases in tax (primarily in excise duties) could have a negative impact on the business by weakening the financial outlook, thus affecting the Company's operating profit and cash management.</p>	<p>Changes to Logista's payment cycles could force it to seek external financing in order to meet its obligations.</p> <p>The Group is developing more robust mechanisms for debt collection, with a view to shortening collection periods in business areas most exposed to client credit risk. In addition, it is lowering credit limits, monitoring credit lines more closely and seeking bank guarantees.</p>

Type of risk	Description	Response planning
<p>M</p> <p>Annual accounts subject to audits and inspections</p>	<p>The Group's primary activity is the distribution of tobacco, and as such it is subject to a specific fiscal model that can be complex due to its extensive geographical presence. In this respect, the Group has various tax disputes pending resolution requiring value judgements as to the probability of being obliged to settle certain liabilities. Logista has made provisions for these risks based on expert legal advice and the potential for transferring them to third parties. Currently, the Group's returns from a number of financial years are subject to inspection with respect to certain taxes.</p>	<p>In discharging its fiscal obligations, the Company advocates strict compliance with all applicable tax requirements. It adopts a centralised approach to monitoring and verification, ensuring that all fiscal obligations across Logista are met. To this end, it draws on support from highly reputable tax advisors and law firms when preparing its tax reports and settling taxes owed. Such advice is also sought in the event of any special transactions and when mounting a legal defence of the Company's position, should this be necessary.</p>
<p>N</p> <p>Fair value impairment losses on assets, investments, goodwill and asset provisions</p>	<p>One of Logista's basic objectives is to preserve the value of its assets by analysing and preventing risks and optimising the management of the main claims. Nevertheless, there is a risk that the fair value of assets may deteriorate, particularly with respect to the carrying value of goodwill, which is high. This is because Logista has a significant volume of assets and investments that have a substantial impact on its income statement.</p>	<p>The Finance Department analyses potential accidental risks which Logista may be exposed to, both in terms of its assets and its business operations. Accordingly, it ensures that external insurance policies are in place as appropriate and commissions property valuations. With respect to the high carrying value of goodwill, Logista carries out impairment testing in accordance with International Accounting Standards.</p>
<p>O</p> <p>Credit, liquidity and exchange rate risk</p>	<p>It is Logista's general practice to use only institutions with a high credit rating when depositing cash reserves and equivalent liquid assets. Furthermore, Logista's exposure to credit risk is shared with Imperial Brands through cash transfer agreements.</p> <p>With regard to liquidity risk, Logista has sufficient reserves of cash and equivalent assets to cover payments arising in the normal course of its business operations.</p> <p>Meanwhile, the exposure of Logista's equity and income statement to future changes in prevailing interest rates is relatively slight, since so few of its transactions are carried out in currencies other than the Euro.</p>	<p>If necessary, Logista has a number of credit lines available to it.</p> <p>With regard to the credit risk represented by Imperial Brands, loan agreements are in place with recovery safeguards. Imperial's credit rating (investment grade), which has remained stable during the financial year, is monitored periodically.</p>
<p>P</p> <p>Insolvency and default risk</p>	<p>When dealing with clients in the ordinary course of its operations, Logista is exposed to commercial credit risk.</p>	<p>Logista seeks to minimise insolvency and default risk by setting credit limits and imposing strict conditions with respect to collection periods. As Logista's main clients are licensed tobacconists, this commercial risk is spread over a large number of clients with fairly short collection periods. Consequently, the Company's exposure to third-party credit risk is not particularly significant. Where deemed necessary, Insurance Policies are in place to mitigate the impact of defaults on payments, although, historically, default rates in geographical regions where Logista operates have been consistently very low.</p>

Opportunities within risk management

Logista's risk management system supports a comprehensive analysis of the Group's business environment (its relationships and other factors with a bearing on current or future strategy or on Company objectives). In turn, this has allowed the following opportunities to be identified:

1. Development of other business areas

Logista's growth strategy depends, among other factors, on its ability to expand its business areas such as the transport, pharmaceuticals and convenience businesses. This strategy will allow Logista to address one of the risks to which it is exposed, namely, the decline in tobacco consumption in countries where it operates, in line with the market's focus on sustainability.

Certain market trends observed in these sectors present opportunities for sustainable and profitable growth. These include the significant increase in the volume of pharmaceuticals dispensed by hospital pharmacies, the relative rise in demand for OTC and personal care products in pharmacies, the growing importance of local distribution networks for consumer goods, and the shift towards e-commerce, with the associated transportation needs.

2. Next-generation products

The pharmaceutical sector is developing a new generation of personalised medicines and direct-to-patient delivery services which are an excellent opportunity for Logista given the Company's existing high quality distribution network.

New tobacco products are also emerging, with many more choices available to consumers than just a few years ago. Logista offers manufacturers the fastest and most effective route to consumers in southern Europe, thanks to its extensive presence in each of its national markets and its expert market knowledge.

Logista actively participates in and supports the strategic transformation of the sector by offering consumers alternatives to traditional tobacco products, potentially with fewer health impacts. In its capacity as the preferred distribution partner for these kinds of products, Logista also works to foster a responsible approach to how they are sold.

3. Competitive advantage in the regulatory environment

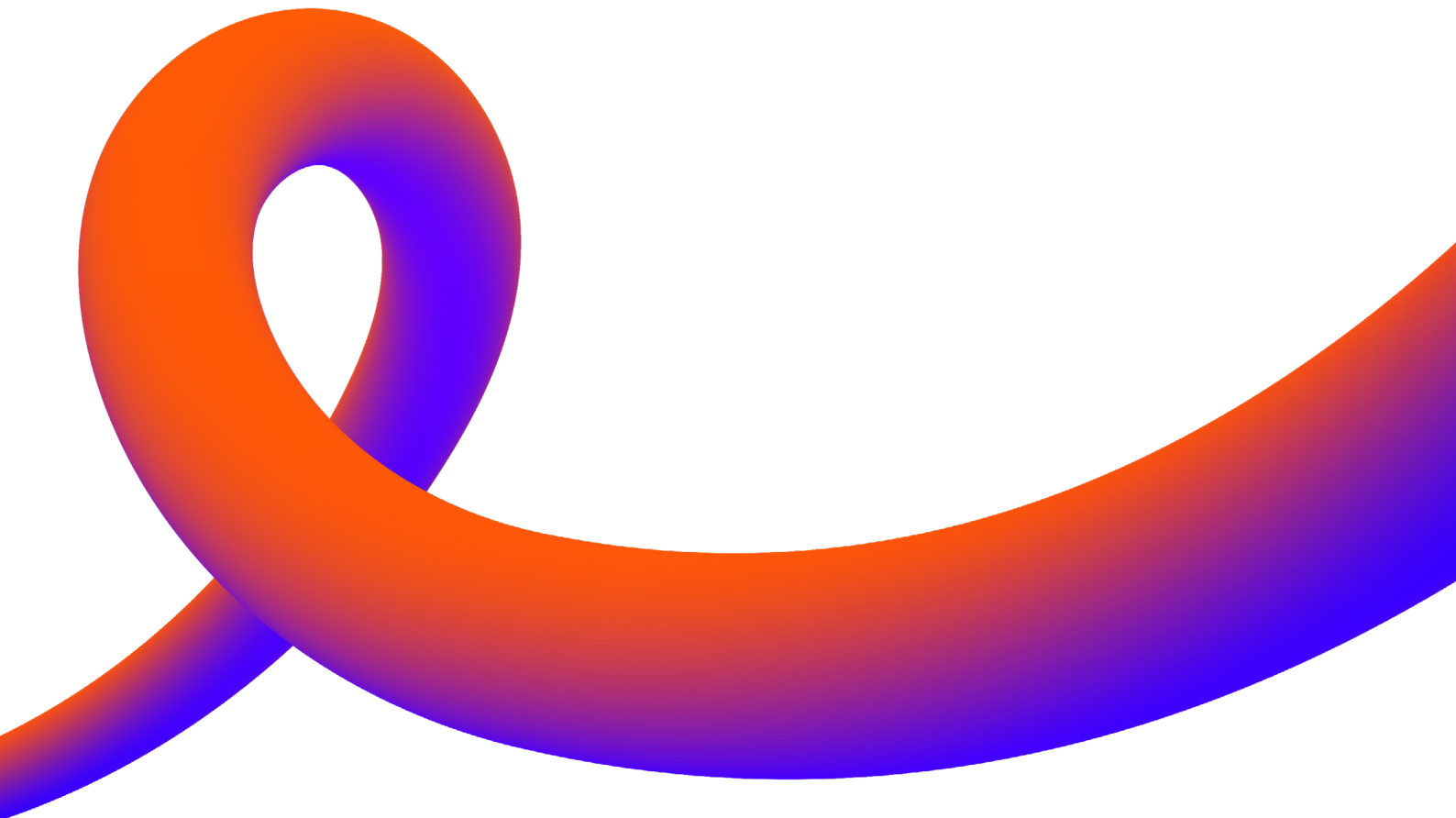
Due to the regulatory context in the pharmaceutical and tobacco sectors, there are increasingly exhaustive checks on the distribution of those products, and companies therefore need to be able to comply with those requirements if they wish to continue operating in the future. Logista not only acts in compliance with these requirements but anticipates them by offering new services in each of its distribution sectors. The Group also has the benefit of significant financial capacity and extensive market experience, which helps foster client loyalty and presents a barrier to entry for new competitors – due to, for example, the high investment costs involved in ensuring compliance with regulatory requirements.

4. Developing an economy with a low carbon footprint

Sustainability is a key element of Logista's strategy. This is evidenced by the fact that Logista has been recognised as a global sustainability leader by CDP for the fifth consecutive year and is included on its "A-list".

Logista includes opportunities arising from climate change among its risks and its environmental plan, for example, optimising routes, using sustainable vehicles and energy, and reusing packaging for its product distribution business.

6. Creating value for shareholders and investors



Creating value

Logista is deeply committed to creating short, medium and long-term value for its shareholders and investors.

To do this, it works to ensure a profitable business, managing financial and non-financial risks carefully and responsibly, while maintaining open and transparent dialogue with shareholders, investors and financial analysts as one of the foundations for long-term sustainability.

During the financial year, Logista has updated its Information and Communications Policy with regard to shareholders, institutional investors and proxy advisors, and to sharing economic and financial, non-financial and corporate information concerning Logista.

Among the good governance principles included in its Good Governance Code for Listed Companies approved on 18 February 2015, the CNMV recommended that listed companies should draw up and implement a public policy for communicating with and contacting shareholders, institutional investors and proxy advisors that is fully compliant with market abuse regulations and accords equitable treatment to shareholders in the same position. In this regard, Regulation 3/2015 on the subject of the Group's Information and Communications Policy with regard to Shareholders, Market Securities and Public Opinion was approved on 23 June 2015. However, in its last review of the Good Governance Code in June 2020, in particular the aforementioned recommendations, the CNMV redrafted Recommendation number 4 in relation to this Policy.

Dividends allocated to the 2021 financial year

1.24€
per share

+5.1% dividends allocated to the 2020 financial year

Earnings per share

1.32€
+8.3%
CAGR 2015-2021

Logista manages the relationship with shareholders and the wider financial community through the Investor Relations department, deeply committed to offering maximum transparency in terms of sharing information and strictly complying with applicable law.

Logista therefore offers the investor community key information about the Company in relation to its strategy, operations and results, through the information published on its website, and through meetings, face-to-face meetings, participation in conferences and seminars, etc.

During 2021, due to the COVID-19 pandemic, our roadshows and participation in conferences and seminars have largely been carried out virtually; and meetings that would have previously been carried out in person have instead been conducted primarily via telephone, and only sporadically in person. In the financial year, 322 contacts were maintained with the market.

Coverage by research companies

At the end of the 2021 financial year

13 firms
have covered Logista

12
buy recommendations

1
neutral recommendation

0
recommendations to sell

Average target price of above

€ **24**

Relevant facts and other relevant information reported to the Spanish Securities Market Commission (CNMV) in 2021

28 September 2021	Share buy-back program
22 September 2021	Liquidity contract suspension Extension of the shares buy-back program
26 July 2021	Press release announcing results for Q3 2021 Announcement of results for Q3 2021
22 July 2021	Board member resignation and appointment
22 July 2021	Distribution of dividends on account for the 2021 financial year
5 July 2021	Details of transactions completed under the Liquidity Agreement in Q2 2021
10 May 2021	Press release announcing results for H1 2021 Presentation of results for H1 2021 (English) Announcement of results for H1 2021
6 May 2021	Appointment of Director
5 May 2021	Notice of presentation of the results for the first half of the 2021 financial year
5 April 2021	Details of transactions completed under the Liquidity Agreement in Q1 2021
1 March 2021	Resignation of a proprietary director
8 February 2021	Press release announcing results for Q1 2021 Announcement of results for Q1 2021
4 February 2021	Agreements approved by the Annual General Shareholders' Meeting on 4 February 2021
1 February 2021	Supplementary notice of call to the Annual General Shareholders' Meeting
20 January 2021	Liquidity agreement entered into with Banco Santander S.A.
22 December 2020	Call for Annual General Shareholders' Meeting
28 October 2020	Press release announcing results for the 2020 financial year Presentation of results for the 2020 financial year Announcement of results for the 2020 financial year
26 October 2020	Share buy-back program
22 October 2020	Notice of presentation of the results for the 2020 financial year (audiowebcast)
20 October 2020	Share buy-back program
13 October 2020	Share buy-back program
6 October 2020	Share buy-back program

There were no Inside Information communications during the financial year.

Investor calendar

5 November 2021	Announcement of H2 2021 results (Oct-Sept)
27 August 2021	Dividend on account payment (€0.41 per share)
26 July 2021	Announcement of Q3 2021 results (Oct-Jun)
10 May 2021	Announcement of H1 2021 results (Oct-Mar)
26 February 2021	Interim dividend payment (€0.79 per share)
8 February 2021	Announcement of Q1 2021 results (Oct-Dec)
5 February 2021	Annual General Shareholders' Meeting 2021 (second call)
4 February 2021	Annual General Shareholders' Meeting 2021 (first call)
4 febrero 2021	Junta General de Accionistas 2021 (1ª convocatoria)

Logista and the Stock Market

Logista is listed on the Madrid Stock Exchange General Index, and the IBEX Top Dividend, which lists the 25 securities with the greatest dividend yield from those included in the IBEX 35, IBEX Medium Cap and IBEX Small Cap indexes, provided they demonstrate a history of payment of ordinary dividends for at least two years; it is also listed on the IBEX Medium Cap (the index listing the 20 largest securities after those listed on the IBEX 35 by market capitalisation adjusted for free float, provided the annualised turnover of securities on their free float is greater than 15%) and the FTSE4Good index, which lists companies that demonstrate sound environmental, social and corporate governance practices.

+3.4%
average annual
appreciation since 2014

+24.7%
average annual
appreciation in 2021

Since the end of the 2014 financial year, the year in which the Company was once again listed, Logista has increased its value by 3.4% (average annual appreciation), compared to an average annual decline of 3.4% and 0.4% on the Madrid Stock Exchange General Index and IBEX Medium Cap respectively over the same period, and a slight increase of IBEX Top Dividend of 1.7%. At the end of the 2021 financial year, Logista's share price was €18.2. In the financial year 2021, Logista's share price increased by 24.7%.

	2014*	2015	2016	2017	2018	2019	2020	2021
Capitalisation at financial year-end (€ million)	1,911.6	2,238.2	2,636.4	2,700.8	2,936.4	2,373.6	1,938.2	2,417.4
Closing price (€)	14.4	16.9	19.9	20.3	22.1	17.9	14.6	18.2
Maximum price (€)	14.4	20.2	21.6	24.2	23.7	22.8	21.3	19.3
Minimum price (€)	13.0	12.9	16.7	19.2	17.2	17.7	12.9	14.0
Total Volume (shares)	24,614,887	60,184,153	40,296,050	35,104,389	65,615,281	41,954,961	41,772,377	62,762,606
Average daily volume (shares)	431,840	236,016	156,186	137,127	258,327	164,529	163,173	244,212
Turnover (% of share capital)	18.5%	45.3%	30.4%	26.4%	49.4%	31.6%	31.5%	47.3%

*Since 14 July 2014: initial listing. Source: Bloomberg

Dividends

Logista's dividends policy, subject to approval by the Annual General Shareholders' Meeting, consists of distributing a payout of at least 90% of the Consolidated Net Annual Profit.

Logista therefore paid an interim dividend of €0.41 per share on 27 August 2021, allocated to the 2021 results and, in addition, at the Annual General Shareholders' Meeting, the Company's Board of Directors intends to propose distributing an additional dividend of €0.83 per share, to be paid at the end of Q2 2022.

1.24€
total dividend allocated
to the 2021 financial year

95%
payout

The total dividend allocated to the 2021 financial year will therefore be €1.24 per share, +5.1% dividends distributed in the previous financial year, and representing a payout of 95%.

Capital structure

All Logista's shares belong to a single class and series with identical rights.

At the 2021 financial year-end, Logista had 800,623 treasury shares, mainly to meet

the share distribution commitments resulting from the Company's incentives plans, as well as the liquidity agreement undersigned the 20 January 2021 with Santander Bank S.A.

Capital structure

	2014	2015	2016	2017	2018	2019	2020	2021
N. of Shares	132,750,000	132,750,000	132,750,000	132,750,000	132,750,000	132,750,000	132,750,000	132,750,000
Share Capital	26,550,550	26,550,550	26,550,550	26,550,550	26,550,550	26,550,550	26,550,550	26,550,550
Par Value	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Treasury Shares	-	40,614	275,614	391,432	425,496	486,013	522,273	800,623
Treasury Shares as % of share capital	-	0.03%	0.21%	0.29%	0.32%	0.37%	0.39%	0.6%

*Since 14 July 2014: initial listing. Source: Bloomberg

Significant shareholdings to 30 September 2021*

Personal name or company name of shareholder	% of total voting rights
Imperial Brands PLC	50.01%
Capital Research and Management Company	4.94%

*According to information reported to the CNMV by the shareholders

During the 2021 financial year, Imperial Brands Plc transferred its indirect shareholding in the Company from Altadis, S.A.U. to Imperial Tobacco Limited, a wholly owned subsidiary of Imperial Brands Plc, retaining therefore a controlling interest in the Company. On 6 February 2021, Capital Research and Management Company reported that its shareholding in the Company had fallen below the 5% threshold to 4.941%.

Equal treatment

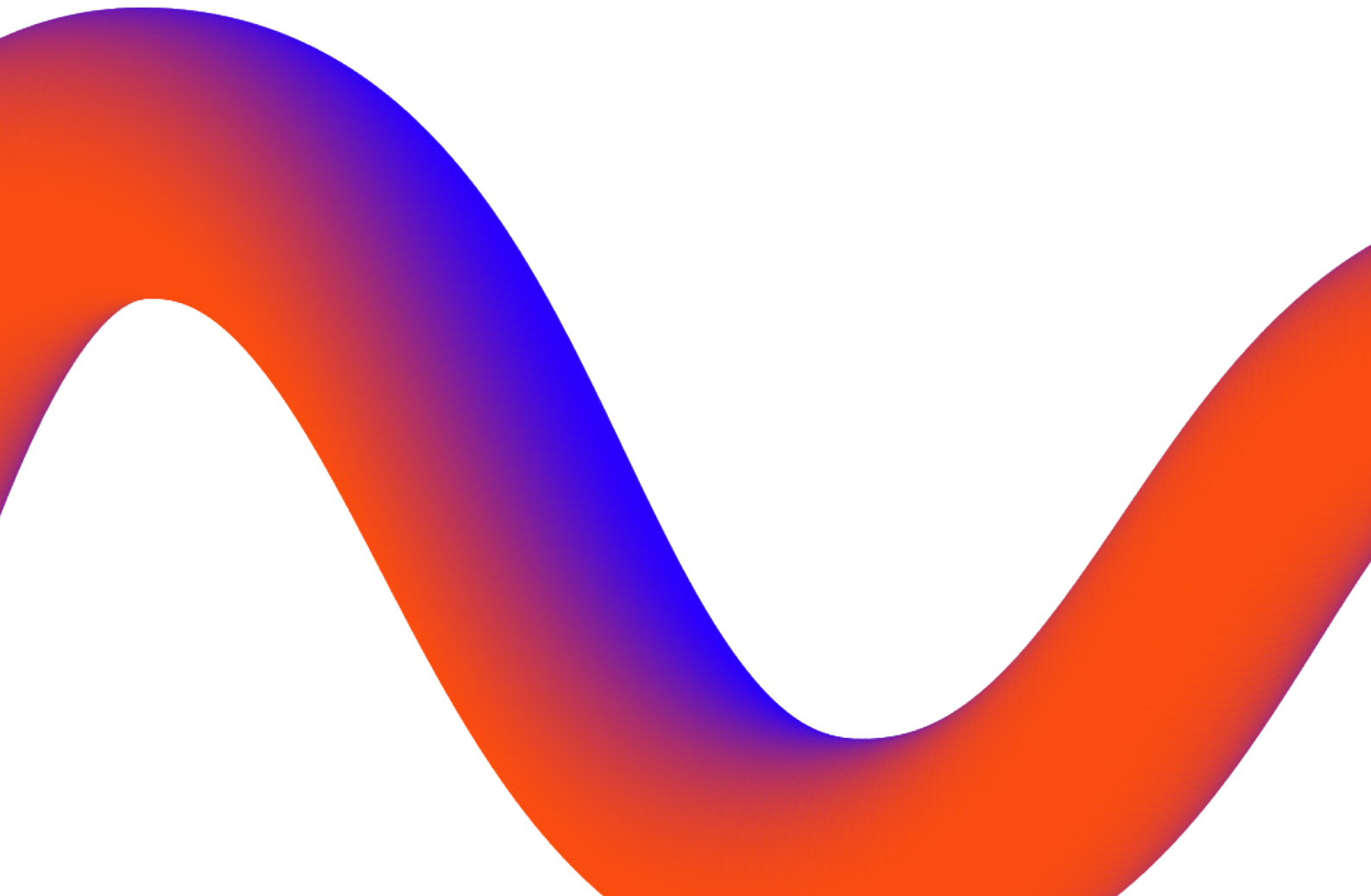
Every shareholder has the same rights, on an equal and equitable basis.

Logista encourages shareholders to participate in the Annual General Shareholders' Meeting, the Company's highest body and fundamental forum for shareholders to take part in decision-making and voice their opinions and concerns with the Board of Directors and other shareholders.

All Logista shareholders are entitled to attend the Annual General Shareholders' Meeting on an equal and equitable basis, irrespective of the number of shares they own.

Logista provides all shareholders with the information relating to the Annual General Meeting on the Company website (www.logista.com) as well as access to the electronic forum for participation.

7. Employee development



Logista’s staff are a fundamental part of the Group’s Strategic Business Plan. Through its Human Resources Department Logista promotes policies to improve employee development and embrace diversity and inclusion.

These are our core aspects of HR management reflect the Group’s values: Respect, Initiative, Commitment and Professionalism. We promote these values across the entire workforce comprising 5,851 employees of more than 50 nationalities.

Logista’s Human Resources Department’s strategy is based on the Group’s objectives, the objectives of each business area and best market practices. It has developed a Global Human Resources Plan that aims to cover both the short- and long-term needs of the Group’s businesses by providing a clear, practical model for improving business, team and employee performance.

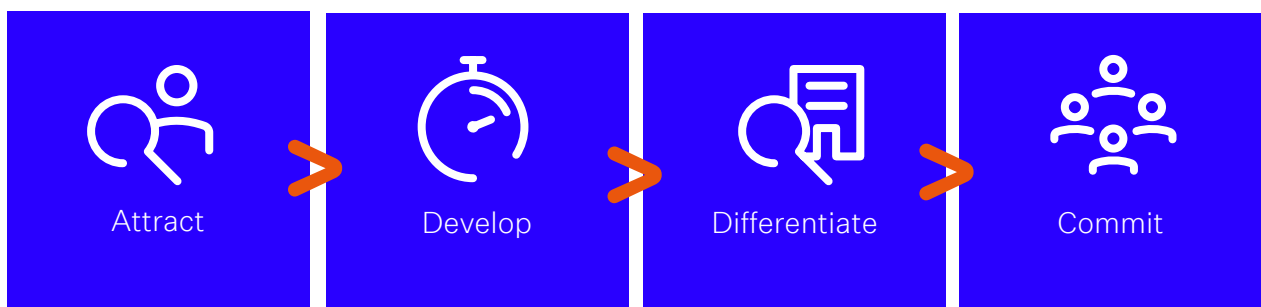
This plan is underpinned by four pillars that define the work model throughout the employee’s professional lifecycle:

+ “The HR Roadmap”: sets out the Human Resources priorities, based on the objectives of the Group and of each of its businesses.

+ “The Balanced Scorecard/BSC”: measures the degree to which the targets set out in the HR Roadmap have been achieved and aids in both decision-making and devising action plans based on key HR management metrics.

+ Centres of Excellence: their purpose is to create an HR hub comprising policies, processes and programmes that represent specialised HR knowledge centres. These specialised processes are adapted to each business area and local characteristics and include the best global practices.

+ Shared Services Centre: designed to boost the efficiency of HR administrative processes to generate time and cost improvements. By developing employee management systems, the Shared Services Centre also becomes the management mechanism for employee data, using descriptive and predictive analysis to identify potential short- and long-term improvement measures.



In 2021, Logista has continued to identify and implement measures to carry on developing talent across the Company, particularly in positions identified as critical, to ensure they are held by people with the best skillset for the post.

It has also identified 166 potential successors within the Group as part of Logista's Succession Plan which focuses on ensuring the continuity of critical positions and of the business itself.

During 2021, Logista set the goal of achieving 80% of Talent Density (talent index in critical positions, it is the result of the matrix evaluation of the annual performance plus the growth potential), finally achieving an achievement of 86%. This improvement is the result of implementing the action plan established for each business area. As part of these plans, measures have been implemented in relation to employee development, ensuring attractive remuneration and benefits packages and attracting and retaining talent.

To demonstrate its commitment to young talent, Logista has introduced the "Youners" programme which is designed to attract, recruit and, above all, develop the technical and managerial skills of young people who have recently joined the Company across its various departments and business areas. Logista wants to ensure that these employees start to grow from the very outset of their career and work their way up to managerial roles or positions with more responsibility, thereby strengthening succession plans and guaranteeing the business' continuity.

Following on from the last financial year, Logista has continued to optimise the level of service offered in terms of attracting and recruiting new talent – improving the online application process and enhancing the experience of candidates.

Logista's remuneration system enables us to design an attractive remuneration model in line with market rates, which rewards outstanding performance and/or results through our variable short-term remuneration policy.

In addition to a fixed salary and an annual variable salary, our global remuneration scheme includes a long-term variable salary and a package of social benefits that is aligned with local policies in each business area and country.

Creating long-term value is one of the individual targets set for all the management teams in the Group. The variable remuneration scheme for the current 2021 financial year includes sustainability indicators for both the Group management team and for each business management team.

By participating in market research and using a structured methodology for evaluating positions, we can design measures that are aligned with our global talent management model.

The main risks the Group has identified with regard to HR management are retaining key personnel and finding the right candidate for each role, especially for critical positions. The potential consequence of these risks would be loss of business knowledge and low performance, which may have an impact on meeting targets. To mitigate these risks, the Group is actively working on the Succession Plan by identifying and developing the potential of employees who are part of the Plan – both those holding the positions now and their potential successors – and on the professional development of employees who currently occupy key positions within the Company.



During 2021, Logista set the goal of achieving 80% of Talent Density, finally achieving an achievement of 86%.

Employment

a) Distribution of employees by gender, age, nationality and professional category

Employees by gender	Total 2021	% 2021	Total 2020	% 2020
Female	2,213	37.82%	2,170	37.16%
Male	3,638	62.18%	3,669	62.84%
Overall total	5,851	100%	5,839	100%

Employees by age	Total 2021	% 2021	Total 2020	% 2020
Aged 29 and below	657	11.23%	638	10.93%
Aged 30-50	3,731	63.77%	3,816	65.35%
Aged 51 and above	1,463	25.00%	1,385	23.72%
Overall total	5,851	100%	5,839	100%

Employees by nationality	Total 2021	% 2021	Total 2020	% 2020
Spain	3,553	60.72%	3,516	60.22%
France	1,228	20.99%	1,258	21.54%
Portugal	526	8.99%	531	9.09%
Italy	458	7.83%	454	7.78%
Poland	86	1.47%	80	1.37%
Overall total	5,851	100%	5,839	100%

Employees by professional category	Total 2021	% 2021
Senior management	43	0.73%
Management	198	3.38%
Professionals	369	6.31%
Technical and administrative staff	2,611	44.62%
Warehouse staff	2,630	44.95%
Overall total	5,851	100%

The revised professional category breakdown allows for better comparability by ensuring greater homogeneity of its members.

Employees by professional category	Total 2021	% 2021	Total 2020	% 2020
Management team	22	0.38%	23	0.39%
Technical and administrative staff	3,177	54.30%	3,126	53.54%
Warehouse staff	2,652	45.33%	2,690	46.07%
Overall total	5,851	100%	5,839	100%

b) Total number and distribution of work contract types

Distribution of work contract types	Total 2021	% 2021	Total 2020	% 2020
Permanent	4,999	85.44%	4,981	85.31%
Temporary	852	14.56%	858	14.69%
TOTAL	5,851	100%	5,839	100%
Full-time	5,446	93.08%	5,443	93.22%
Part-time	405	6.92%	396	6.78%
TOTAL	5,851	100%	5,839	100%

c) Annual average of employees by contract type, gender, age and professional category

Annual average of employees by gender	Distribution by gender 2021		Distribution by gender 2020	
	Male	Female	Male	Female
Permanent	3,217	1,813	3,424	2,025
Temporary	445	368	563	413
TOTAL	3,662	2,181	3,987	2,438
Full-time	3,536	1,890	3,859	2,081
Part-time	126	292	128	357
TOTAL	3,662	2,181	3,987	2,438

* This indicator is quantified considering the annual average of employees at the end of the month. The accounting criteria for the average number of hired personnel has been modified to adjust the information offered with the objective pursued with this indicator.

Annual average of employees by age	Distribution by age 2021			Distribution by age 2020		
	<30	≤30->50	≤50	<30	≤30->50	≤50
Permanent	353	3,280	1,398	361	3,804	1,453
Temporary	262	440	111	304	374	129
TOTAL	616	3,720	1,509	665	4,178	1,582
Full-time	588	3,419	1,419	642	3,804	1,494
Part-time	28	301	89	23	374	88
TOTAL	616	3,720	1,509	665	4,178	1,582

* This indicator is quantified considering the annual average of employees at the end of the month. The accounting criteria for the average number of hired personnel has been modified to adjust the information offered with the objective pursued with this indicator.

Annual average of employees by professional category	2021				
	Senior management	Management	Professionals	Technical and administrative staff	Warehouse staff
Permanent	44	197	384	2,328	2,078
Temporary	0	2	1	281	530
TOTAL	44	199	384	2,609	2,608
Full-time	44	193	362	2,427	2,401
Part-time	0	6	22	182	207
TOTAL	44	199	384	2,609	2,608

* This indicator is quantified considering the annual average of employees at the end of the month. The accounting criteria for the average number of hired personnel has been modified to adjust the information offered with the objective pursued with this indicator. The revised professional category breakdown allows for better comparability by ensuring greater homogeneity of its members.

Annual average of employees by professional category	2021			2020		
	Senior management	Technical and administrative staff	Warehouse staff	Senior management	Technical and administrative staff	Warehouse staff
Permanent	24	2,906	2,102	27	3,119	2,308
Temporary	0	284	530	0	661	2,966
TOTAL	24	3,189	2,632	27	3,780	5,274
Full-time	24	2,979	2,424	27	3,552	5,029
Part-time	0	210	207		228	245
TOTAL	24	3,189	2,632	27	3,780	5,274

d) Number of dismissals by gender, age and professional category

Dismissals by gender	Total 2021	Total 2020
Female	64	87
Male	111	152
Overall total	175	239

Dismissals by age	Total 2021	Total 2020
Aged 29 and below	23	21
Aged 30-50	100	126
Aged 51 and above	52	92
Overall total	175	239

Dismissals by professional category	Total 2021
Senior management	1
Management	7
Professionals	14
Technical and administrative staff	75
Warehouse staff	78
Overall total	175

Dismissals by professional category	Total 2021	Total 2020
Management team	0	2
Technical and administrative staff	96	114
Warehouse staff	79	123
Overall total	175	239

The revised professional category breakdown allows for better comparability by ensuring greater homogeneity of its members.

e) Average pay and change in average pay by gender, age and professional category

Average remuneration by gender	Total 2021	Total 2020
Male	39,282.97	37,490.85
Female	32,789.50	30,902.71

Average remuneration by age	Total 2021	Total 2020
Aged 29 and below	23,703.33	21,749.96
Aged 30-50	35,234.14	32,229.02
Aged 51 and above	46,782.62	46,162.02

Average remuneration by professional category	Total 2021
Senior management	285,238.52
Management	99,556.48
Professionals	59,485.81
Technical and administrative staff	33,564.18
Warehouse staff	28,102.99

Average remuneration by professional category	Total 2021	Total 2020
Management team	374,472.14	372,202.56
Technical and administrative staff	41,448.86	39,211.03
Warehouse staff	28,489.14	27,315.42

The revised professional category breakdown allows for better comparability by ensuring greater homogeneity of its members.

Gender pay gap

In line with diversity plans and to ensure better analysis and control of gender pay gap indicators, the number of professional categories to analyse has been increased from three to five. This enables us to conduct a more accurate comparison of the salary difference for positions involving equal or similar duties and responsibilities.

In line with this new classification, positions have been re-organised within the new professional groups across the Company. The CEO's position is not included in this calculation. Salary details for this position can be found in the Annual Report on Board Remuneration.

As in previous years, this calculation only takes into account work-related earnings during the financial year, excluding compensatory and severance payments.

Average remuneration of Management Team by gender (€) 2021	
Male	292,373.88
Female	248,542.38

*Remuneration actually paid during the financial year with the new employee classification

Average remuneration of Management Team by gender (€) 2021	Total 2021	Total 2020
Male	392,181.55	405,879.00
Female	294,779.81	212,239.50

*Remuneration actually paid during the financial year with the previous classification

In average salary terms, the global gender pay gap is 16.53%, compared to 17.06% in 2020.

The overall average gender pay gap is 11.25%. This indicator is important as it takes into account the highest and lowest ends of the pay scale.

The Senior Management category includes the following manager groups: managers responsible for different departments, country and business area managing directors and managers in the first reporting line in the Group's significant business areas.

The Management Committee forms part of the Senior Management and currently comprises nine members, of whom women represent 22%.

Average remuneration of Board Members by gender (€) 2021	Total 2021	Total 2020
Male	194,664	134,004
Female	91,256	78,056

Remuneration actually paid during the financial year

On the Board of Directors, five of the 12 members are women, i.e., 42% of the Board.

The average remuneration of Board Members includes remuneration commensurate with their duties and responsibilities as such. The five proprietary directors do not receive any remuneration for their duties and responsibilities as Board Members and are therefore not included in the calculation of the average.

The average remuneration of male Board Members is higher than the average figure for female Board Members, mainly as a result of the inclusion of the Chairman of the Board's remuneration, which is higher due to his roles and responsibilities as Chairman.

Details of the regulatory framework for Board member remuneration are set out in the Board Remuneration Policy which is available to the public on our website. The 2021 Annual Report on Remuneration of Directors provides greater detail on board member remuneration, including fixed and variable percentages, as well as sustainability indicators.

Organisation of work

Logista's people management process is based on trust and results. Over the course of this financial year, this strategy has enabled it to implement measures and introduce employment conditions that promote and strengthen this type of management and provide greater flexibility in the organisation of work, for both employees and the business areas.

In this way, and always taking into consideration the needs of the businesses, local laws and good practices, Logista has introduced a number of measures that allow for more flexibility in the way work is organised and make it easier to establish a balance between work and personal life in those businesses and settings where production activity and local good practices make this possible. Some of these measures include compressed hours at certain times of the year, flexible working hours, a shorter working day, extended leaves of absence, etc.

Obviously, as a precautionary measure to prevent the spread of COVID-19, part of the organisation of work during 2021 has included remote working and organising shifts for staff who work on site.

Introduction of policies on the right to disconnect from work (digital disconnection)

Logista is committed to promoting and implementing measures to ensure employees have time off and recognises that the right to disconnect from work is fundamental to achieving better working time management for the purposes of respecting private and family life, improving the balance between personal, work and family life, and contributing towards creating optimal health and safety conditions for all its employees.

Absenteeism

Logista monitors the level of absenteeism on an ongoing basis, considering this as any absence from work due to an accidents or illness that has an impact for social security purposes. During the 2021 financial year, there were 558,223 hours of absenteeism, compared with 623,339 hours in the previous year. Absenteeism therefore decreased by 10.4% during 2021 mainly due to two factors: reduction of the impact generated by the COVID-19, as well as the reduction of accident rates.

Health, Safety and Well-being

Logista regards the Health, Safety and Well-being of its employees as one of its fundamental values and is committed to providing a safe and secure working environment. Every one of us in the Group has a part to play in the culture of health, safety and well-being.

The Centre for Excellence in Health, Safety and Well-being has focused on the following priorities for the 2021 financial year:

- + To achieve a gradual reduction in accident rates in the Group's businesses.
- + To continue improving safety conditions and making workplaces healthier.
- + To promote a culture of excellence in terms of the health, safety and well-being of employees in the Group.

At present, Logista is certified under the ISO 45001 Standard (international reference standard on the matter). Specifically, in Spain Logista, Logista Parcel, Logista Pharma, Nacex and Logista Freight; in Portugal all Alcochete businesses; in Italy, Logista and in Poland Logista.

In 2021, the Group's Health, Safety and Well-being organisation has continued to focus its efforts on managing the effects of the COVID-19 pandemic, implementing and improving measures needed to reduce the risk of employees, partners and clients contracting the virus, whilst also ensuring business continuity during these extraordinary times.

For ISO 45001-certified Group Companies there is a procedure in place for reporting risks. This procedure can be used by all employees to report a hazardous situation or dangerous conduct. On the other hand, any accidents or incidents that occur on Group premises are investigated in accordance with the local regulations applicable in each country and the procedures set out in the respective management system. Finally, hazard identification and risk assessment are carried out in accordance with applicable regulations in each country and the procedures set out in the respective management system.

	Total 2021	Male	Female	Total 2020	Male	Female
Accidents	114	82	32	125	87	38
Frequency index	11.22	13.02	8.29	11.84	13.12	9.69
Severity index	0.2	0.25	0.12	0.34	0.35	0.32
Confirmed occupational illnesses	0	0	0	0	0	0
"Lost Time Accidents Rate"	2.24	2.6	1.66	2.37	2.62	1.94
Fatality	0	0	0	0	0	0

Work accidents with sick leave due to professional contingencies, excluding "in itinere" accidents.

Social relationships

The Centre for Excellence in Labour Relations is tasked with the preventative management of both legal and reputational risks and conflicts in the workplace to enable each business to develop strategically and operationally in the best way possible. Therefore Logista seeks to operate in the market by offering a safe and stimulating environment for our investors and shareholders, as well as for our employees and all other stakeholders.

We achieve this objective by promoting good practices in this area and through our extensive, specialised knowledge of the different regulatory frameworks applicable to labour relations in the locations where the Group has operations and carries out its activities.

Logista is committed to creating long-term employment and fosters relationships with its employees that are founded on high levels of motivation and job satisfaction. The regulatory framework for these relationships is shaped by internal policies and collective agreements that improve working conditions established in local legislation, and fully upholds the provisions of the United Nations Global Compact on Human Rights, the resolutions and recommendations of the International Labour Organisation and the European Social Charter.

In addition to this, Logista encourages relations with trade unions and workers' representatives based on responsibility and transparency, ongoing communication, the right to information and the right of consultation, while exercising the fundamental right to union membership.

99% of Logista's employees are covered by collective bargaining agreements, with the exception of employees in Poland.

Total hours of training by professional category	2021
Senior management	571
Management	4,381
Professionals	7,477
Technical and administrative staff	20,673
Warehouse staff	11,639

The revised professional category breakdown allows for better comparability by ensuring greater homogeneity of its members.

Total hours of training by professional category	2021	2020
Management team	170	187
Technical and administrative staff	32,931	27,318
Warehouse staff	11,639	9,590

Training

When creating and introducing the Training Plans for 2021, Logista has prioritised training programmes that are designed to help the business areas meet their objectives and achieve results. In this way the Company can align employee development with the Group's objectives and those of its business areas.

Logista bases its individual employee development plans on the 3Es model: Experience (70%), Exposure (20%) and Education (10%). The Education training model is provided via training schools. The fundamental components of our training cover the following aspects:

+ Continually improving sales by strengthening sales teams and guaranteeing business growth.

+ Technical Excellence to ensure we maintain a premium service in the operations we provide for our clients, through our know-how and by applying innovative practices in each particular area.

+ Team Leadership and Management to improve performance and ensure our people management is focused on achieving objectives.

In addition to these main areas, training in other areas also helps drive employee performance levels: Project management, technical skills and competencies, etc., together with any training required to ensure we are compliant with governance and sustainability requirements: legal, Code of Conduct, health and safety, etc.

Logista also remains committed to digitalised training. It aims to roll this out to everyone in the Group to be able to offer them a range of online training programmes – providing better access to content and courses for the Group's entire workforce. This has been particularly important this year due to the COVID-19 pandemic.

With regard to critical positions and employees identified in the succession plans for those positions, Logista has defined and implemented various individual development measures with a view to strengthening Talent in these key positions for the Group.

There have been 44,740 hours of training this year compared to 37,095 hours of training completed in the 2020 financial year, representing an increase of 20.6%. This indicates the Company's efforts to maintain learning levels despite difficulties caused by the pandemic, particularly related to the capacity restriction.

Universal accessibility and equality

The Group's Sustainability Policy expressly sets out Logista's commitment to diversity, equal opportunities and non-discrimination for reasons of any nature.

In 2021 the Financial Times has identified Logista as a Diversity Leader in its annual ranking of European companies thanks to its commitment to diversity and equality. The survey ranks Logista as the leading Company in Spain, 25th in the overall European ranking, and number one in its sector in Europe.

Logista seeks to work proactively with a range of foundations and associations that support and employ people with disabilities who are at risk of exclusion, with the aim of playing a part in integrating them into the labour market. In 2021, 140 people with disabilities were employed by Logista, representing a 30% increase (108 in 2020).

The Company has made any necessary adjustments for accessibility with regard to toilet facilities, car parks, the installation of ramps, etc., both at new premises and at existing premises that are gradually being redeveloped.

In line with Logista's Sustainability Policy, the Group has promoted the following initiatives this year:

- + Donations for **research into diseases such as COVID-19, cancer or rare diseases.**
- + Training and employing people with a **range of skills to integrate them into the jobs market.**
- + Measures to **encourage sport.**
- + Collecting **food and toys for low-income families and families at risk of social exclusion.**

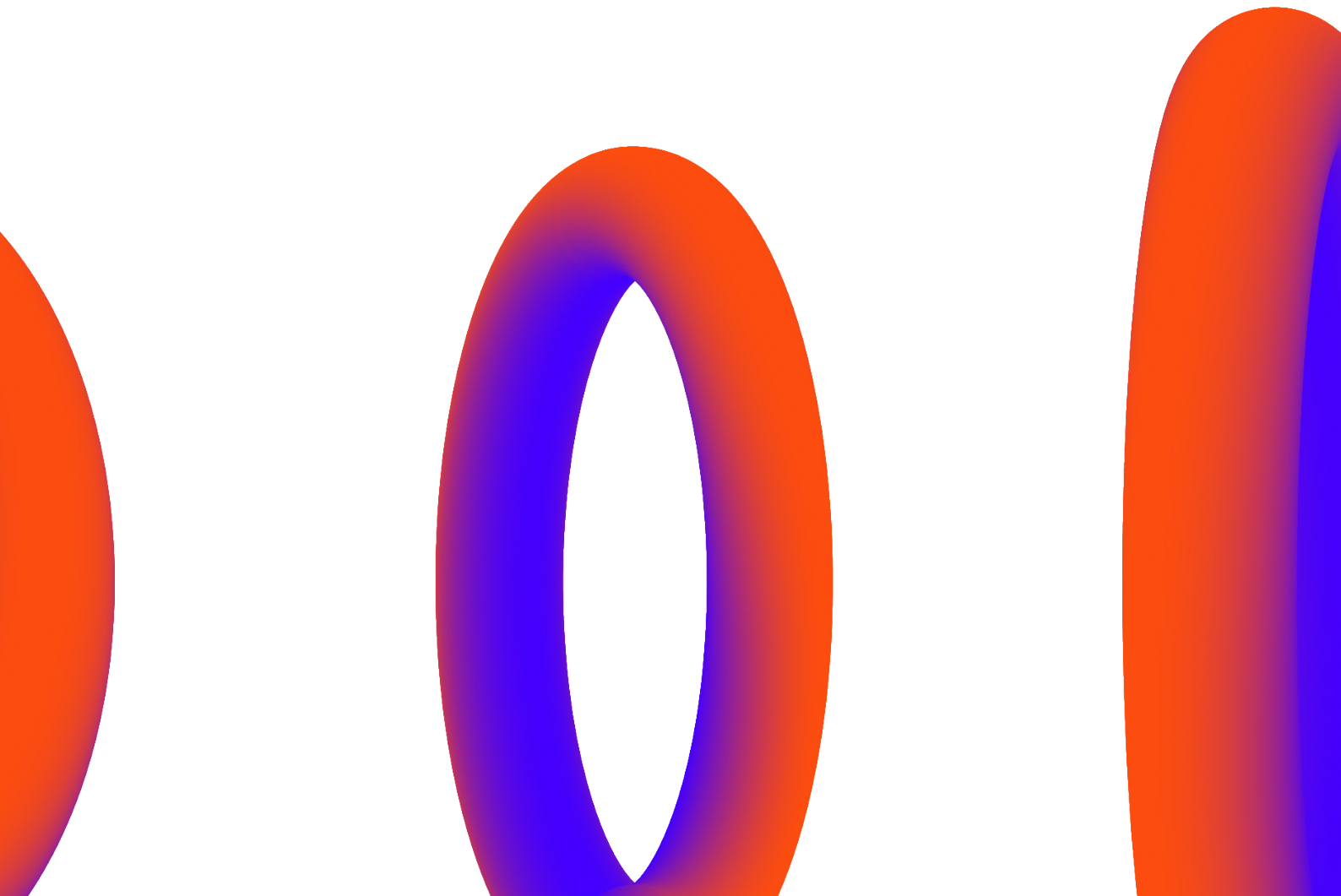
All these actions are developed in line with the principles and values set out in the Group's Code of Conduct which also lays down the general guidelines of conduct for all its employees. It is published on the Group's Intranet and in the website to ensure that it is as widely available as possible, and as such maximises employee awareness.

In Spain, Logista has had a Parity and Equality Commission since 2011. This establishes principles of equality and lays down the protocols that ensure people are managed in accordance with principles of:

- + **Non-discrimination** on grounds of gender or sexual orientation, or for any other reason prohibited by law.
- + **Respect** for people above all other considerations.
- + **Professional conduct** in relations between employees and with Management.
- + The promotion of a **fair work climate** that encourages professional development based on professional merit and on training.

The Company is not aware of any incident this year relating to gender discrimination or any other kind of discrimination. Therefore, the measures implemented during the year have been purely preventative.

8. Client satisfaction



Excellence and the highest quality of service

Clients are the core focus of Logista's business model.

To meet the needs of its clients, Logista has developed a business model that is unique in southern Europe, integrating all the services that make up the distribution value chain into one single supplier. The Company acts efficiently and sustainably and, with full transparency and traceability, offering advanced and specialist services for each sector and point of sale channel in which it operates.

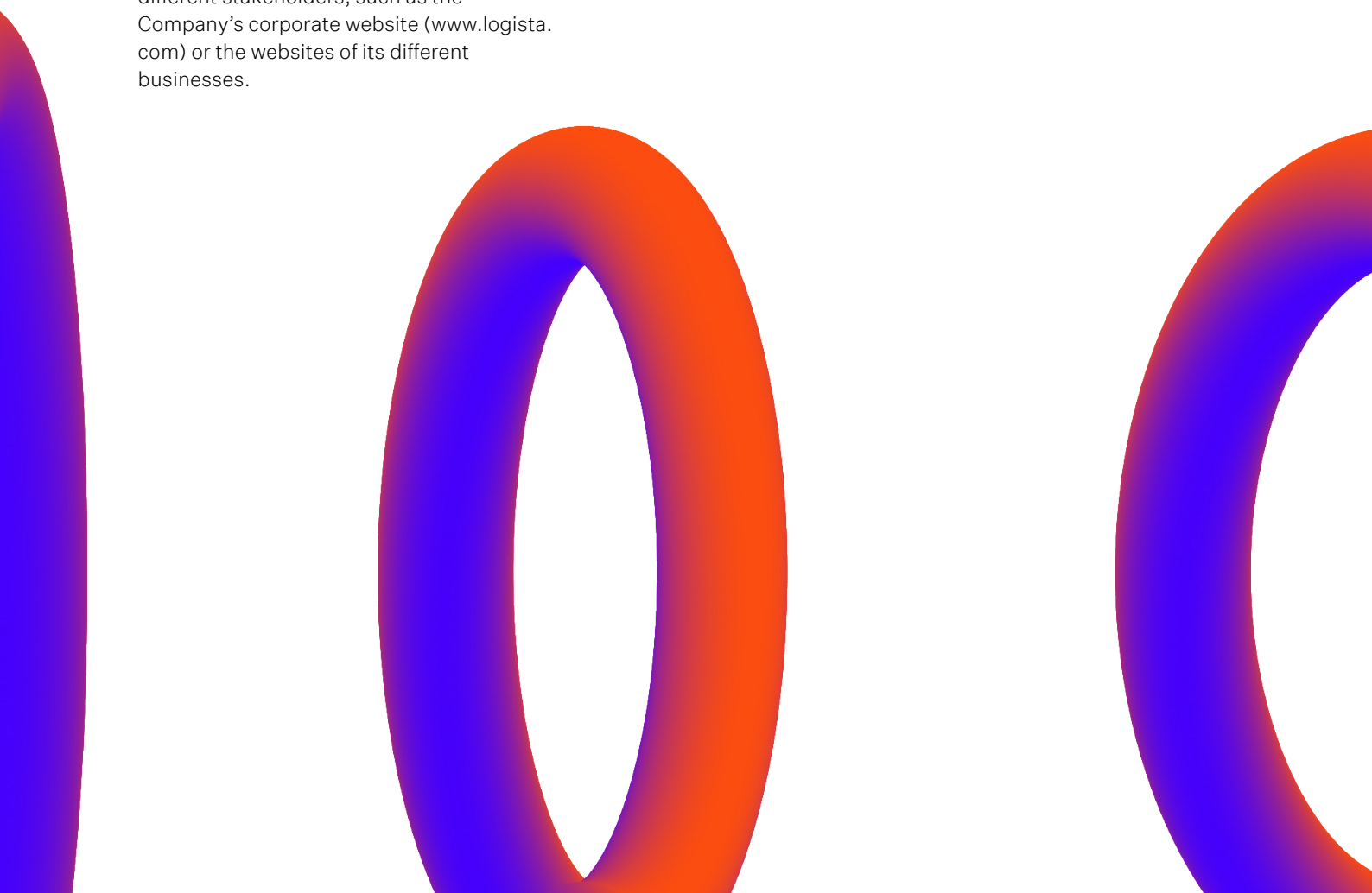
Logista includes sustainability in its objective of offering the highest quality of service, always seeking efficiency in its operations, under the most suitable social and environmental conditions.

As such, Logista promotes ongoing open and transparent dialogue with its clients through a range of specific communication channels tailored to their circumstances (face-to-face contact, meetings, electronic mailboxes, call centres, etc.), or through shared communications channels for different stakeholders, such as the Company's corporate website (www.logista.com) or the websites of its different businesses.

Logista also has a range of different systems for dealing with complaints and claims from consumers. Each business sets up these systems, tailoring them to suit its individual nature and that of its consumers.

During the 2021 financial year, Logista received 15,691 claims and complaints from consumers (12,860 in 2020), that accounts for just 0.04% of shipments and consignments handled by Logista throughout the year. 3 of these claims and complaints were received by Logista Pharma, and were solved without economic impact. 99.98% of these claims and complaints correspond to operational incidents from the transport division, such as loss of goods, etc.

The claims and complaints from the transport division were resolved through agreement with the clients, always based on the contractual terms agreed in the service provision.



Stable, long-lasting relationships

Logista seeks to establish stable, long-lasting relationships with its clients. Relationships built on trust, that are beneficial to both parties and that always guarantee independent management and operational neutrality.

Logista applies its commitment to quality, sustainability and continuous improvement to all its activities and operations and has numerous certifications to confirm this.

Main certifications

+ ISO 9001

Quality Management System in place at more than 300 facilities belonging to a number of the Group's businesses in Spain and Portugal (tobacco distribution, pharmaceutical products distribution, transport and distribution service of convenience products) and externally audited each year

+ GDP ("Good Distribution Practices")

Distribution of medicines in accordance with European and Spanish regulations

+ GMP ("Good Manufacturing Practices")

Correct handling, re-packaging and re-packing of medicines awarded by the Spanish health authorities

+ AEO (Authorised Economic Operator)

The Agencia Estatal de Administración Tributaria (State Tax Administration Agency, AEAT), in its most stringent Customs Simplification, Security and Safety procedure, has certified Logista's customs control, financial solvency and appropriate levels of security and administrative management to ensure satisfactory fiscal compliance

+ TAPA

Certifies Logesta's compliance with TAPA's FSR (Facility Security Requirements) and TSR standards (Trucking Security Requirements) designed to guarantee the safe and secure transit and storage of assets of any member of TAPA worldwide

+ ISO 14001

Environmental Management System

+ OHSAS 18001

Management system for preventing risks in the workplace

+ IFS Logistics

Certifies the quality of Integra2 and Logesta in the food sector

New services and measures adopted due to COVID-19

Logista has continued to apply the necessary security and safety measures in 2021 while still providing the services developed in the last financial year to enable it to continue operating during the pandemic – maintaining a high standard of service, quality and security in its operations.

One of these services that is particularly significant is the distribution of the COVID-19 vaccine provided by Logista Pharma. Logista Pharma has made the necessary investments and introduced the organisational procedures needed to distribute vaccines at the required temperature for each vaccine type (-70°C, -20°C and between 2-8°C), using unit level traceability with information that is linked to each hospital pack.

Logista Pharma has also managed exports of vaccines (at -70°C and refrigerated at between 2-8°C) to various countries, including New Zealand, Fiji, Paraguay, Argentina, and has devised special boxes to ensure optimum storage conditions during transit to their destination.

Logista Pharma has also set up an extensive handling operation for preparing kits that contain all the materials needed for administering the vaccine (water, syringes, serum, solvent, instructions, etc.). In addition, it has managed critical medicines used to treat COVID-19 – controlled by the Spanish Government through the Spanish Agency for Medicines and Health Products (AEMPS) – and it has also managed health materials required to overcome the COVID-19 pandemic in the autonomous region of Valencia.

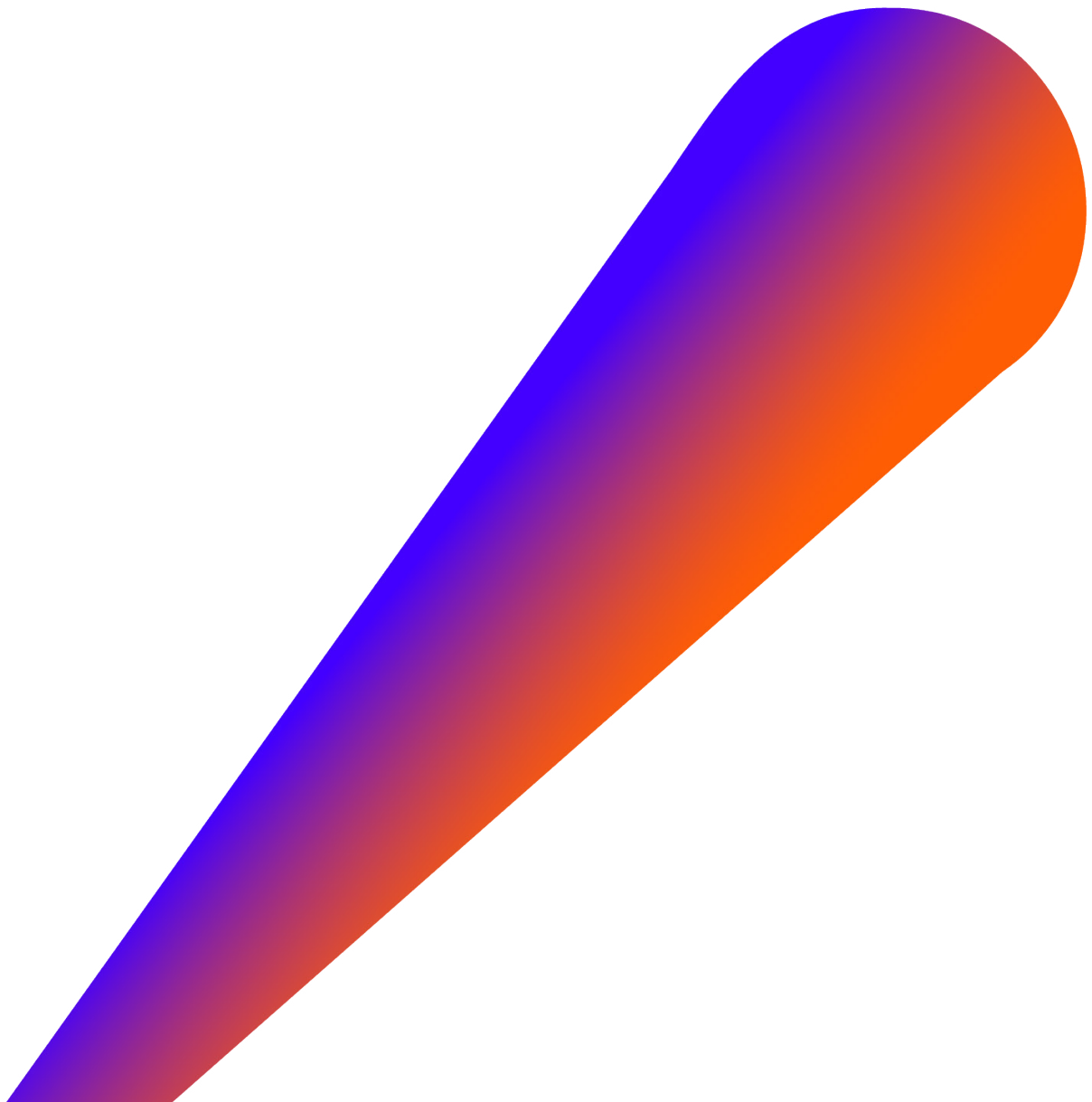
These services are in addition to the services that were introduced last year by Logista Pharma including direct-to-patient delivery service for clinical trial supplies and other hospital medicines, particularly to chronic and high-risk patients, which ensure continuity in treatments and save these patients from having to travel to hospital.


With regard to convenience products, a new range of individual PPI equipment has been created and the financing term for tobacco retailers was extended during the months when partial lockdown measures were imposed in different regions. As for small parcel services, Nacex has developed a tool which removes the need for the consignee to provide a physical signature on delivery slips by using a QR code sent by email to register the shipment.

In response to requests from booksellers and publishers who are facing new challenges due to the rapid rise of e-commerce, Logista Libros has continued to expand its Dropshipping service which allows readers to buy books via their preferred method, either online or at physical stores, for direct home delivery.

Logista's administrative divisions have also been able to work remotely during the pandemic almost without incident thanks to the progress made in recent years in digitalising the company. and its systems.

9. Collaboration with suppliers



Logista ensures a responsible management of its supply chain,  with sustainability being a key element of our relationships with our suppliers.

Logista's General Principles of Conduct set out the minimum standards and basic rules of conduct that must govern supplier operations – both towards their own employees and towards any other third parties involved in carrying out their activities – in their dealings with Logista.

Compliance with these Principles of Conduct is mandatory and as such they must be understood and accepted by all the Group's suppliers. To ensure they are public knowledge, they are published on the Company's corporate website and translated into the official languages of the countries in which Logista operates.

Procurement policy

Logista's Procurement Policy also sets out the Group's guiding principles on ethics, labour, sustainability, quality and client focus, and form the basis for supplier tendering and selection.

Under the Group's Procurement Guidelines, tendering must also be governed by the Principle of Ethical and Professional Conduct.

Supplier tendering and selection is conducted via an objective and rigorous process.

To evaluate how compliant suppliers are with standards of quality, safety and professionalism, and with all other standards required by the Group, Logista carries out regular evaluations.

In the 2021 financial year, Logista carried out 824 audits of suppliers, and did not identify any significant shortcomings in any of them. In 2020, 845 audits of suppliers were carried out.

The checks form part of the control systems in operation in each business. The regular checks include the evaluation of certified quality control systems, a review of the degree of compliance with regulatory strategies, and the monitoring and evaluation of area directors and other commercial representatives by means of unannounced inspection visits.

Resource optimisation

In order to optimise and streamline resources, all significant purchases of goods and services corresponding to general purchases, supplies, maintenance services and information and communications technologies, as well as CAPEX, are centralised.

However, due to their nature or low cost, the procurement of some goods and services is not suitable for centralised management. In these cases, the established procurement process is followed, to comply with the general procurement guidelines set out in the Procurement Policy and to ensure transparency, efficiency and equity in those purchases.

824
audits

In the 2021 financial year, Logista carried out 824 audits of suppliers, and did not identify any significant shortcomings in any of them.



1. Principles of Ethical and Professional Conduct. Code of Conduct

Objectives

Establishes ethical values and other guidelines and principles of responsible conduct, applicable to the Group's management



2. Procedure and Rules for Reporting Malpractice

Objectives

The Code of Conduct created a whistleblower channel for reporting any conduct, facts, omissions or non-compliance (Malpractice) that constitutes an Infringement of the Code of Conduct

Area

General. All Logista employees

Area

General. All Logista employees

Scope

Criminal activities, theft of products by clients/suppliers, bribery, fraud, falsification of Company accounts or records, facilitating incorrect data or information, theft of Company information, breaches of security/health and safety/environmental rules, discrimination

Scope

n/a



3. Procurement Policy/ Guidelines

Objectives

i) Optimising and streamlining the use and availability of resources through centralisation (synergies, economies of scale), ii) Highlighting the importance of the procurement process (duties and responsibilities of those involved in the process), iii) Preventing risks of fraud in procurement processes, iv) Establishing basic principles of procurement: 1- competition, 2- publicity, 3- non-discrimination, 4- preventing conflict of interest, 5- ethical and professional conduct, 6- reasoned decisions, 7- separation of roles, 8- General principles of supplier conduct, v) Creating a register of suppliers



4. General Principles of Supplier Conduct

Objectives

Minimum standards and basic rules of conduct that must govern the operations of Logista suppliers. Not just in relation to Logista, but also in terms of suppliers' relationships with their employees, third parties and the environment. Logista's principles are also principles that we expect of our suppliers.

Area

Procurement Activities

Scope

Purchases included, purchases excluded

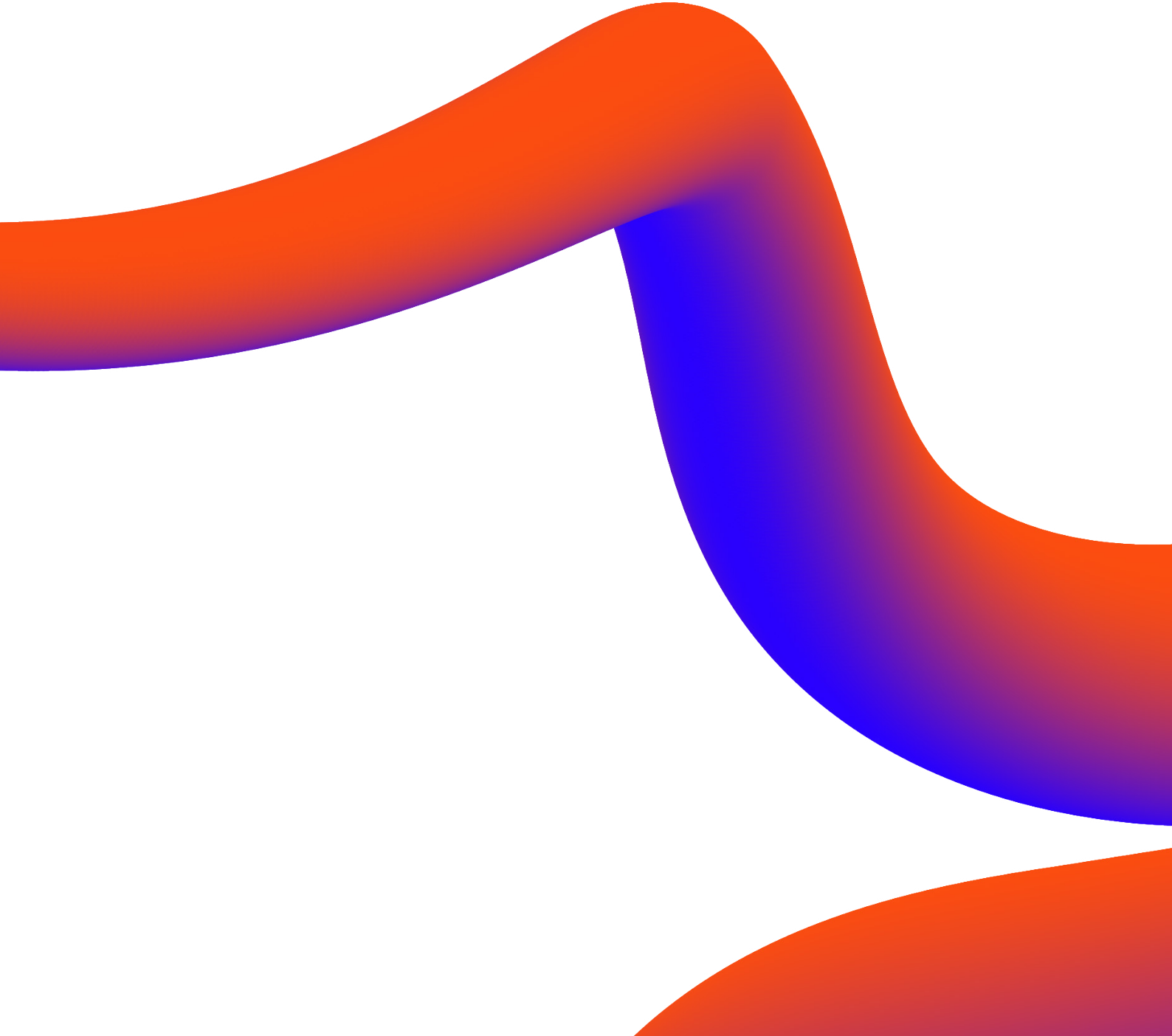
Area

Suppliers

Scope

Compliance with laws, transparency in dealings with public authorities, freedom of competition, prevention of money laundering, compliance with tax and social security regulations, principles of honesty and transparency, confidentiality of information, respect for intellectual property rights, respect for personal and family privacy, compliance with labour obligations, respect for employees, safe and healthy working environment, protection of the environment

10. Minimising environmental impact



Logista is committed to minimising the environmental impact of its business operations.

Its Quality, Environment and Energy Efficiency Policy establishes guidelines and good practices which are designed to optimise the use of resources and prevent its processes from causing pollution – in strict compliance with regulations and the voluntary targets which the Group has signed up to.

Logista is therefore involved in various initiatives that aim to control and manage the current and foreseeable impacts of its operations on the environment, and to address key environmental aspects.

Logista has specified the main environmental and quality indicators relevant to its sustainable development, and monitors and evaluates these regularly, carrying out energy audits in each country and for each business.

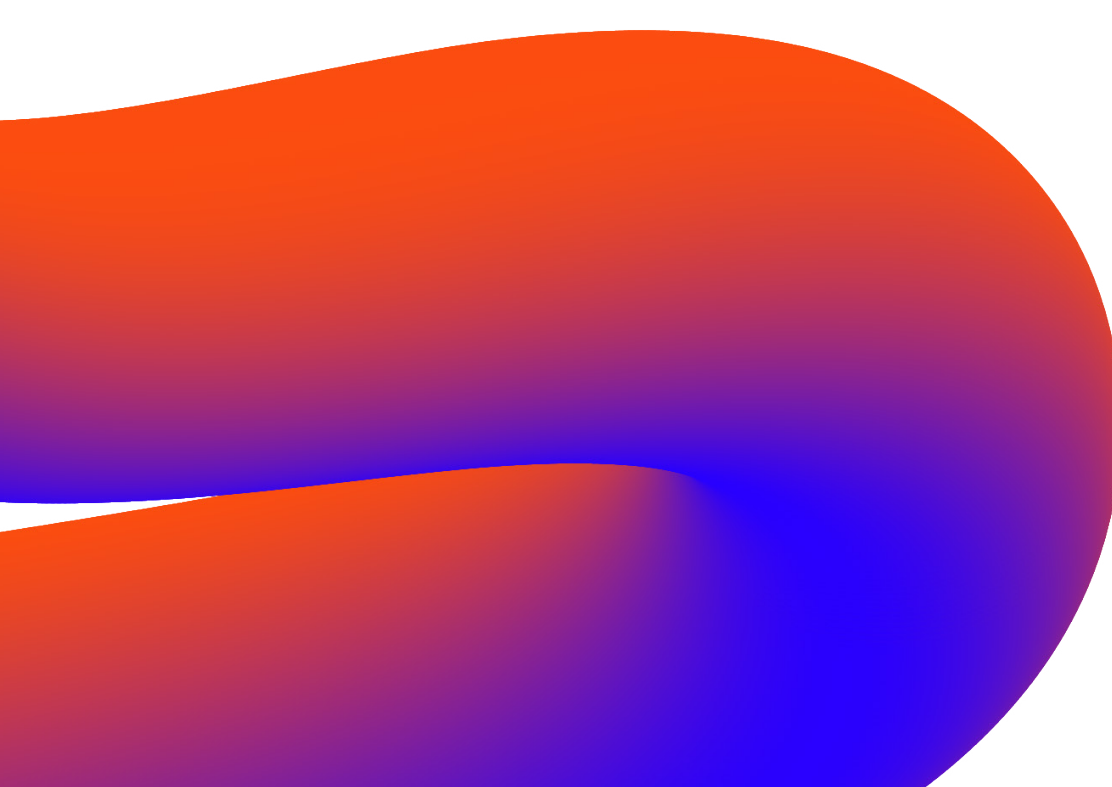
In addition, Logista champions respect for the environment among its employees, customers, suppliers and society as a whole. Logista was one of the signatory companies to Spain's 2020 'manifesto for a sustainable economic recovery'.

This declaration advocates a recovery towards a more sustainable and robust economy and calls for alliances that will ensure the stimulus policies put in place as a result of the COVID-19 pandemic are aligned with both sustainability policies and the European Green Deal, in addition to being effective from a socioeconomic perspective.

The Quality, Environment and Energy Efficiency Policy is available for all employees and other stakeholders on the Group's Intranet and on its corporate website.

Pursuant to the ISO 14064 standard, Logista has also calculated its carbon footprint, using the methodology set out in the GHG Protocol. The Environmental Management System of Logista's businesses in Spain is also certified according to the ISO 14001 standard.

The Group promotes the renovation of its facilities, as well as the fleet subcontracted to more efficient and less polluting modes of transport, favoring the reduction of CO₂e emissions, as well as other substances that deplete the ozone layer (ODS), oxides of nitrogen (NO_x), sulfur oxides (SO_x) and other significant air emissions.



List of ISO 14001-certified centres

Business unit	Centre	Address	Certifying body	Expiry date	Scope
INTEGRA2	CORPORATE HEADQUARTERS	Corporate headquarters/ C. Energía, 25-29 Pg Nordeste, 08740, Sant Andreu de la Barca, Barcelona	BUREAU VERITAS	02/10/2022	Temperature-controlled transport and distribution of goods.
INTEGRA2	SANT ANDREU DE LA BARCA	Dronas 2002 S.I.U / C. Energía, 25-29 Pg Nordeste, 08740, Sant Andreu de la Barca, Barcelona	BUREAU VERITAS	02/10/2022	Temperature-controlled transport and distribution of goods.
INTEGRA2	GETAFE	Dronas 2002 S.L.U / P.I. La Carpetania C. Miguel Faraday, 32-34,28906, Getafe, Madrid	BUREAU VERITAS	02/10/2022	Temperature-controlled transport and distribution of goods.
LOGESTA	LEGANÉS	P.I. Polvoranca, C. Del Trigo, 39, 28914 - Leganés (Madrid)	AENOR	30/03/2022	Management of national and international road transport of general goods.
LOGISTA ESPAÑA	LEGANÉS	Compañía de Distribución Integral Logista S.A.U. - Dirección de Zona Centro. C. Trigo 39 Polígono Industrial Polvoranca, 28914 Leganés	BUREAU VERITAS	24/07/2024	The storage and distribution of tobacco and tobacco-related products, postage stamps, stamped and other documents, lottery tickets, food (excluding frozen products) and beverages, retail consumer products and management of the organisation's own collections and payments.
LOGISTA ESPAÑA	RIBA-ROJA	Compañía de Distribución Integral Logista S.A.U. - Dirección de Zona Levante. P.I. La Reva, C. Mistral, 2 Naves A y B. Riba-Roja, 46190, Valencia	BUREAU VERITAS	24/07/2024	The storage and distribution of tobacco and tobacco-related products, postage stamps, stamped and other documents, lottery tickets, food (excluding frozen products) and beverages, retail consumer products and management of the organisation's own collections and payments.
LOGISTA ESPAÑA	BARCELONA	Compañía de Distribución Integral Logista S.A.U. - Dirección de Zona Noreste. P.I. Parc Logistic. Avda 1 N° 5-7, 08040 Barcelona	BUREAU VERITAS	24/07/2024	The storage and distribution of tobacco and tobacco-related products, postage stamps, stamped and other documents, lottery tickets, food (excluding frozen products) and beverages, retail consumer products and management of the organisation's own collections and payments.
LOGISTA ESPAÑA	LA RIOJA	Compañía de Distribución Integral Logista S.A.U. - Delegación de Logroño. P.I. El Sequero, CI Rio Leza, S/N, 26509 Agoncillo	BUREAU VERITAS	24/07/2024	The storage and distribution of tobacco and tobacco-related products, postage stamps, stamped and other documents, lottery tickets, food (excluding frozen products) and beverages, retail consumer products and management of the organisation's own collections and payments.

Business unit	Centre	Address	Certifying body	Expiry date	Scope
LOGISTA ESPAÑA	SEVILLA	Compañía de Distribución Integral Logista S.A.U. - Dirección de Zona Sur-Sevilla. P.I. Aeropuerto, C. Rastrillo, S/N, 41020 Sevilla	BUREAU VERITAS	24/07/2024	The storage and distribution of tobacco and tobacco-related products, postage stamps, stamped and other documents, lottery tickets, food (excluding frozen products) and beverages, retail consumer products and management of the organisation's own collections and payments.
LOGISTA ESPAÑA	ANDÚJAR	Compañía de Distribución Integral Logista S.A.U. - Delegación de Andújar. Ctra. Madrid-Cádiz, Km. 325, 23740 Andújar	BUREAU VERITAS	24/07/2024	The storage and distribution of tobacco and tobacco-related products, postage stamps, stamped and other documents, lottery tickets, food (excluding frozen products) and beverages, retail consumer products and management of the organisation's own collections and payments.
LOGISTA PHARMA	LEGANÉS	Oficinas Centrales/ Planta C/ Trigo, 39 - 28914 Leganés Madrid	SGS	12/03/2022	Pharmaceutical and healthcare product logistics (handover, warehousing, order picking and shipping), reverse logistics (returns of pharmaceutical and healthcare products), partial manufacture of medicines and investigational medicines (secondary packaging), management of sample archives and management of promotional material logistics. Customer service.
LOGISTA PHARMA	PIERA	Planta Piera C. Copérnico, 7 - 08784 Piera Barcelona	SGS	12/03/2022	Pharmaceutical and healthcare product logistics (handover, warehousing, order picking and shipping), reverse logistics (returns of pharmaceutical and healthcare products), partial manufacture of medicines and investigational medicines (secondary packaging), management of sample archives and management of promotional material logistics. Customer service.
LOGISTA PHARMA	LAS PALMAS ENTRERRIOS	Planta Pol. Ind. El Sebadal C. Enterrios, 5 Nave 3 35008 Las Palmas de Gran Canaria	SGS	12/03/2022	Pharmaceutical and healthcare product logistics (handover, warehousing, order picking and shipping), reverse logistics (returns of pharmaceutical and healthcare products), partial manufacture of medicines and investigational medicines (secondary packaging), management of sample archives and management of promotional material logistics. Customer service.
LOGISTA PHARMA	WAREHOUSE C	C/ Delco 5-7, Pol. Ind. Ciudad Del Automovil 28914 Leganés (Madrid)	SGS	12/03/2022	Pharmaceutical and healthcare product logistics (handover, warehousing, order picking and shipping), reverse logistics (returns of pharmaceutical and healthcare products), partial manufacture of medicines and investigational medicines (secondary packaging), management of sample archives and management of promotional material logistics. Customer service.
LOGISTA PHARMA	LAS PALMAS DE GRAN CANARIA	Planta de Sanitarios Y Nutricionales Pol. Ind. El Sebadal, C/ Cochabamba, 11 35008 Las Palmas de Gran Canaria	SGS	12/03/2022	Pharmaceutical and healthcare product logistics (handover, warehousing, order picking and shipping), reverse logistics (returns of pharmaceutical and healthcare products), partial manufacture of medicines and investigational medicines (secondary packaging), management of sample archives and management of promotional material logistics. Customer service.

Business unit	Centre	Address	Certifying body	Expiry date	Scope
LOGISTA PHARMA	BARBERÁ DEL VALLÉS	Avda. Torre Del Mateu, 107 Can Salvatella, Manzana 6, Parcela 2 - 08210 Barberá Del Valles Barcelona	SGS	12/03/2022	Pharmaceutical and healthcare product logistics (handover, warehousing, order picking and shipping), reverse logistics (returns of pharmaceutical and healthcare products), partial manufacture of medicines and investigational medicines (secondary packaging), management of sample archives and management of promotional material logistics. Customer service.
LOGISTA PHARMA	CABANILLAS DEL CAMPO	Pol. Ind. La Quinta, Avda. de Castilla-La Mancha, 2 - 19171 Cabanillas Del Campo Guadalajara	SGS	12/03/2022	Pharmaceutical and healthcare product logistics (handover, warehousing, order picking and shipping), reverse logistics (returns of pharmaceutical and healthcare products), partial manufacture of medicines and investigational medicines (secondary packaging), management of sample archives and management of promotional material logistics. Customer service.
NACEX	HOSPITALET	P.I. Gran Vía Sur Cl Pablo Iglesias 112-122. 08908 - Hospitalet de Llobregat (Barcelona)	AENOR	19/11/2022	Express documentation and parcel delivery service and associated activities (collection, handling, storage, distribution and delivery).
NACEX	COSLADA	P.I. Coslada, Avda. Fuentemar, 8-12. 28823 - Coslada (Madrid)	AENOR	19/11/2022	Express documentation and parcel delivery service and associated activities (collection, handling, storage, distribution and delivery).
NACEX	BARBERÁ DEL VALLÉS	P.I. Can Salvatella, Avda. Torre Mateu, 107. 08210 - Barberá Del Valles (Barcelona)	AENOR	19/11/2022	Express documentation and parcel delivery service and associated activities (collection, handling, storage, distribution and delivery).

Environmental management

Logista includes environmental risks and opportunities in its multidisciplinary procedure for managing risks across the Group. The risk assessment process takes environmental risks and opportunities into account, including those arising from changes in regulations, the physical environment and other climate-related developments.

In 2021, Logista incorporated all of the recommendations issued by the “Task Force on Climate-related Financial Disclosures” (TCFD) into the assessment of risks and opportunities related to climate change.

These recommendations not only apply to financial institutions but to any other organisation, particularly the four sectors potentially most affected by climate change: energy, transport, materials and buildings, and agriculture, food and forestry. The objective of this initiative is to provide information about the economic impact of climate change on the organisation, so that the Group’s stakeholders (whether they are clients, lenders or investors) can have a clear idea of the material risks that lie ahead.

The TCFD analysis carried out by Logista has considered two sets of physical scenarios (low emissions and high emissions) and two sets of transition scenarios (“Stated Policies Scenario” and “Future Policies for Sustainable Development”).

Emissions scenarios

a) Low emissions: Logista has selected the RCP 4.5 scenario as the common scenario for lower emissions into the atmosphere. The outlook in the RCP 4.5 scenario includes major mitigation action and as a result sees emissions into the atmosphere peaking around the year 2040 before beginning to decline.

b) High emissions: the company has chosen the RCP 8.5 scenario for analysing climate projections in a future with high emissions. The RCP outlook is a Business-as-Usual (BaU) scenario in which GHG emissions continue to rise at the current pace. This is a worst-case scenario of higher GHG emissions into the atmosphere and increased global warming.

Transition scenarios

a) Stated Policies Scenario (SPS): only policies that have been formally adopted by governments or are derived from current trends already observed in social, business, technological or market fields have been considered. For example, Spain’s National Energy and Climate Plans.

b) Future Policies for Sustainable Development scenario: the scenario adopted includes more ambitious reductions than current policies, in which the rise in global temperatures is kept below the 2°C indicated in the Paris Agreement.

Logista completed an analysis of the above emissions and transitional scenarios, as outlined by the TCFD, and identified future risks and opportunities.

Logista subsequently assessed the economic impacts (impact on revenue, expenditure, assets, etc.), in line with the TCFD. The impacts on the Group’s specific services (products and services, supply chain/value chain, adaptation and mitigation, investment in R&D and operations) were also assessed, together with the Group’s resilience to impacts, i.e. its capacity to respond to physical and transitional risks and to take advantage of opportunities identified.

In order to fulfil the TCFD requirements, a cross-cutting procedure has been implemented in the organisation, involving all its members in the identification and assessment of risks.

Under Logista's climate-related risk and opportunities management system, the identification and assessment of risks, must be carried out at least once per year. In reality, this is carried out a lot more often than this due to the ongoing monitoring and review of the risk management process.

This risk management process is applied to all the Group's business areas, departments and across all countries in which it operates (Spain, France, Italy, Portugal and Poland).

The results of this risk identification and assessment process are collated and reported to the Internal Audit Department.

Procedure for prioritising climate-related risks and opportunities

Climate change risks and opportunities are prioritised on the basis of the ratings obtained from applying the corporate methodology. However, all climate-related risks and opportunities, not only those with a significant impact, are taken into account in the Company's strategy and objectives.

This methodology generally covers a period of between five and seven years, as a longer period would involve more uncertainties. However, depending on the type of risk, a longer period could be considered.

The procedure for prioritising climate-related risks and opportunities follows the same stages as the risk management procedure across the Group.

Logista has also prepared a TCFD-compliant report on climate-related risks and opportunities, fulfilling the requirements of the four declarations (governance, strategy, risk management and objectives and metrics).

Main environment-related risks and opportunities

Physical risks		
Risk	Relevance	Explanation
Acute physical	Relevant	<p>Acute physical risks mean those that are caused by events, including the greatest severity of extreme weather events such as cyclones, hurricanes and floods. Cyclones and hurricanes do not affect the countries in which Logista operates. Snowfall, storms and floods are possible, although their probability is low.</p> <p>Floods or storms could cause an interruption to distribution operations at the Group's warehouses.</p> <p>The number and frequency of these events is very low. When these climate events have occurred, Logista's rapid and effective response in the materialisation of this risk has resulted in a low impact. However, the fact that a service interruption may occur means that the impact of this risk should be considered very significant.</p>
Chronic physical	Not relevant	<p>Temperature and rainfall patterns may change, affecting animal species such as <i>Lasioderma serricorne</i>, commonly known as the tobacco beetle. Logista stores and distributes the final tobacco product, so the probability and the impact of any plague is much lower than at the manufacturer's premises. This risk has therefore also been identified as not relevant.</p>

Transitional risks

Risk	Relevance	Explanation
Current regulations	Not relevant	<p>Logista is analysing the impact of carbon taxes on fossil fuels, because although Logista sub-contracts vehicles for its transport activity, incorporating them into its operations, any carbon tax that is applied to fossil fuels will affect Logista's operational costs through its impact on the prices of transport providers sub-contracted by Logista.</p> <p>Nonetheless, this type of risk has been identified as not relevant, with a moderate probability and a low impact.</p>
New regulations	Relevant	<p>Europe's strategy to be the leading carbon neutral economy by 2050, hence exceeding the commitment made in the Paris Agreement, would require new regulations that would affect all business sub-sectors and companies. This strategy includes other objectives such as decarbonising transport.</p> <p>This will also be complemented by increasingly greater restrictions on vehicles' access to cities. It is envisaged that these restrictions, until now isolated and supported by local regulations, may become widespread in all cities, supported by a common regulatory framework.</p> <p>The Group may be indirectly affected by this risk, since its transport operations are sub-contracted, and account for more than 90% of all Logista's emissions.</p> <p>This type of risk has been identified as relevant, with a moderate probability and a moderate impact.</p>
Technology	Relevant	<p>New technology designed to reduce carbon emissions from transport is relevant to Logista, since existing and future regulations are pushing in this direction, and 90% of the Company's emissions are generated by its transport division's operations.</p> <p>This type of risk has been identified as relevant, with a moderate probability and a moderate impact.</p>
Legal	Not relevant	<p>Legal risks have been identified as not relevant due to the nature of Logista's business operations.</p> <p>Moreover, the Group considers that there is very little probability of this risk materialising and the impact if it did would be low.</p>
Market	Not relevant	<p>Logista distributes different types of products, and a change in consumer behaviour may affect the business of the Group in question.</p> <p>This risk has been identified as not relevant to Logista.</p>
Reputation	No Significant	<p>This risk has been identified as not relevant to Logista, since the Group's business model helps to minimise the main climate-related impact.</p>

Opportunities

Opportunity	Explanation
Efficiency of resources	<p>Although Logista outsources its transport operations, this process is fully integrated into its business operations and taken into account when calculating the company's environmental impact. The Group could reduce operating costs by using more efficient means of transport, which could also be key to allowing the Group to meet its carbon emissions reduction targets.</p> <p>In this regard, these savings could be achieved by using vehicles that are partially financed and/or subsidised, or by increasing Logista's market share in cities with low emission zones.</p> <p>Logista is also already developing its transport decarbonisation strategy to include measures such as transport by rail or switching to vehicles with low carbon technology.</p>
Energy resources	<p>Cost reductions in the very long term, resulting from falling production costs of electrical energy from renewable sources. Logista uses electricity from renewable sources at 99% of its premises.</p>

The resources that Logista allocates to the prevention of environmental risks include:

	2021	2020
Resources allocated to the prevention of environmental risks (no. of people, with different allocation %)	84	84
Resources allocated to environmental risk prevention (€)	1,822,573	1,652,250

Given the Group's business activity, Logista does not have any environmental provisions or guarantees that could be significant in relation to the Company's assets, its financial position or results. However, Logista is insured, applying the precautionary principle, through a civil liability policy that covers claims for personal injury and damages accidentally caused by sudden or unexpected contaminating events.

During the financial year 2021, the Group has not been subject to any relevant fine or sanction in environmental matters.

Climate change

The Group calculates and promotes the reduction of its carbon footprint, as part of its initiatives to minimise the environmental impact of its operations.

Logista calculates the carbon footprint of all its businesses and operations in the different countries in which it operates. This calculation includes the most relevant of the Group's outsourced operations, such as 100% of the emissions resulting from transport and franchise operations, as well as indirect operations such as the purchase of goods and services. The calculation is based on the following recognised reporting standards: Greenhouse Gas Protocol, UNE-EN 16258:2013: Methodology for calculation

and declaration of energy consumption and GHG emissions of transport services (freight and passengers) and ISO 14064-1:2019: Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

An independent accredited entity verifies the carbon footprint calculation under the UNE-EN ISO 14064-3 standard, confirming the figures, reliability and traceability of the process.

The Group's transport division also notifies its clients, free of charge, of the carbon footprint of their deliveries and travels.



The Group's transport division also notifies its clients, free of charge, of the carbon footprint of their deliveries and travels.

Greenhouse gas emissions 2021¹

Direct stationary, mobile and fugitive GHG emissions

46,666
Scope 1 (t CO₂ eq.)
 (38,112 in 2020²)

Indirect GHG emissions from imported energy

340
Scope 2 (t CO₂ eq.)
 (295 in 2020²)

Indirect GHG emissions from the transport, purchase and use of goods and other sources

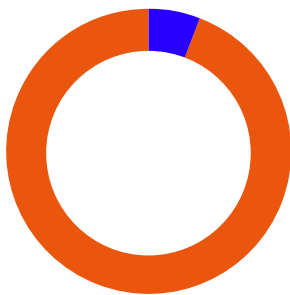
201,188
Scope 3 (t CO₂ eq.)
 (203,886 in 2020²)

1. For the months in which no current data is available, a calculation has been made based on estimated forecasts and/or data from the previous year.

2. The reason for the variation between the '2020' data reported in the non-financial information statement (EINF) for the 2020 financial year compared with those reported in the 2021 EINF is due to the adjustment of estimated data from the previous year to the updated data obtained in 2021.

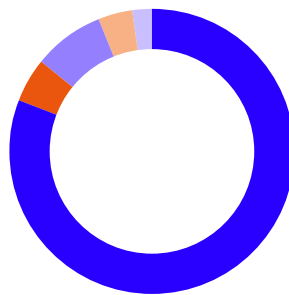
Distribution of GHG emissions in 2021

Emissions by operations



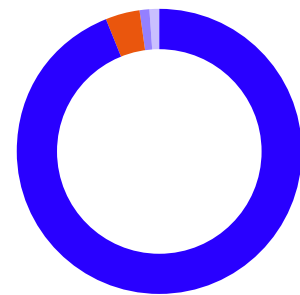
●	Storage	6%
●	Transport	94%

GHG emissions by country



●	Spain	81%
●	Portugal	5%
●	France	8%
●	Italy	4%
●	Poland	2%

GHG emissions by source



●	Transport	94%
●	Purchases	4%
●	Energy	1%
●	Waste	0%
●	Other	1%

+ Noise and light pollution

Noise during daytime and night-time hours is measured at each of Logista's facilities as per the frequency stipulated by environmental regulations. If the measurements show values close to the legal limit, action plans have been established to correct the noise level.

Light pollution is not significant, so the Group has made no specific arrangements for this aspect.

+ Measures adopted to adapt to the consequences of climate change

The current risk management system provides for the analysis and definition of action plans to address the consequences that climate change may have for the Company in the short and medium term.

+ Measures adopted to reduce carbon emissions

The Group reduces emissions by continually optimising routes and renewing transport fleet agreements, including efficiency criteria, promoting a gradual increase in the fleet of vehicles that operate with less polluting fuels.

This year, Logista has also strengthened its combined rail/road intermodal operations, enabling it to reduce CO₂ emissions for long-distance goods transport, in line with Logista's environmental strategy.

99% of the Group's premises use renewable electricity, including all the Group's directly managed centres in Spain, France, Italy and Portugal.

In addition, measures taken to improve energy efficiency and increase the use of renewable forms of energy, which are described below in Energy Consumption, also foster the reduction of greenhouse gas emissions.

+ Awards

Logista was once again recognised in 2021 as one of the global leaders in combating climate change, having been included in CDP's prestigious 'A list' on the basis of the company's 2020 climate report.

Logista is the only European distributor, and one of the only two global distributors, to be included in the 'A List' for the fifth year running. Only three Spanish companies, and 23 worldwide, have managed to maintain this distinction for five consecutive years.

Logista has also been recognised as a Supplier Engagement Leader by CDP in recognition of its commitment to our suppliers and efforts to reduce emissions across the supply chain.

Every year, Logista sends CDP information about the Group's management of climate change at corporate level and at individual business level. This information can be viewed on CDP's website.



99%

99% of the Group's premises use renewable electricity, including all the Group's directly managed centres in Spain, France, Italy and Portugal.

+ Emission reduction targets

Global emission reduction target

Logista has developed its own Sustainability Index to identify opportunities for reducing emissions, based on the Science-Based Target (SBT) initiative.

After analysing the existing methodologies, Logista has taken the view that the GEVA method (Greenhouse gas emissions per value-added unit) is the most suitable method for its operations.

Logista has reviewed this methodology and adapted it to include its transport operations within its reduction targets, since it is the most pertinent in terms of emissions within the Group. The proposed unit of reference therefore includes the distances covered.

This indicator shows the Overall Performance of Logista's emissions because it includes Scope 1 (which includes transport activities with operational control), Scope 2 and Scope 3 (which include all emissions related to transport activities without operational control: upstream and downstream emissions) emissions, as well as emissions from franchise transport.

Logista has considered CDP recommendations concerning year-on-year reduction and included an annual emissions reduction of 2.1%. Logista includes the majority of Scope 3 emissions in this target, and exceeds the percentage recommended by SBT, since 95% of Logista's emissions are categorised as Scope 3. The result is an Overall Target which accounts for and includes 95.5% of all Logista's emissions (considering Scopes 1+2+3).

Scope 1+2 (market-based)+ 3 (transport)

TmCO₂e per €M&Mkm

2030 target

30%
reduction (base year: 2013)

2050 target

54%
reduction (base year: 2013)

Renewable energy consumption target

Committed to renewable energy, Logista aims to consume renewable energy in all its directly managed offices in Spain, France, Italy and Portugal (Poland is not included because its electricity consumption accounts for 2%).

2020 target

99%
(achieved)

Electricity consumption in Spain, France, Italy and Portugal 100% from renewable sources since 2018.

+ Sustainable use of resources

Logista is fully aware of how important the efficient use of resources is. As such, it compiles and analyses information about water consumption, waste and about the materials that are most important for the Group.

Renewable material (Kg)

11,787,382
in 2021¹

11,307,057 in 2020²

Non-renewable material (Kg)

622,846
in 2021¹

599,320 in 2020²

The following categories are classified as "Renewable material": Pallets, paper, cardboard boxes and lids. The following categories are classified as "Non-renewable material": Bags, wrapping film and airpad film.

1. For the months in which no current data is available, a calculation has been made based on estimated forecasts and/or data from the previous year.

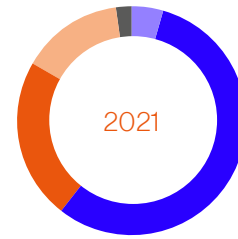
2. The reason for the variation between the '2020' data reported in the non-financial information statement (EINF) for the 2020 financial year compared with those reported in the 2021 EINF is due to the adjustment of estimated data from the previous year to the updated data obtained in 2021.

Energy management

The main sources of energy consumption in the Company are electricity, natural gas, diesel and fuel oil.

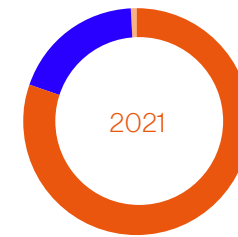
Total energy by country 2021 (Kwh)

	2021 ¹	2020 ²
● Portugal	2,875,304	2,564,833
● Spain	34,817,670	35,910,900
● France	14,129,802	14,046,871
● Italy	8,962,663	8,969,718
● Poland	1,234,864	1,125,549



Energy consumption 2021 (Kwh)

	2021 ¹	2020 ²
● Electricity consumption	49,911,716	50,562,574
● Natural gas	11,598,892	11,549,268
● Other energy consumption	509,695	506,029
	Diesel: 368,509	Diesel: 456,401
	Fuel oil: 141,186	Fuel oil: 49,628



1. For the months in which no current data is available, a calculation has been made based on estimated forecasts and/or data from the previous year.

2. The reason for the variation between the '2020' data reported in the non-financial information statement (EINF) for the 2020 financial year compared with those reported in the 2021 EINF is due to the adjustment of estimated data from the previous year to the updated data obtained in 2021.

Measures adopted to improve energy efficiency

Logista is implementing several action plans in order to achieve fuel and energy consumption savings, such as: optimising routes, upgrading fleets, adjusting the volume of existing infrastructure, setting local targets and reduction initiatives in our main warehouses, implementing energy efficiency criteria in new and existing premises, etc.

Energy audits are carried out regularly on the Group's principal processes and warehouses. The results are used to identify and prioritise actions to reduce consumption.

Other actions undertaken by Logista to reduce energy consumption include:

+ LEED/BREEAM certification for all new Group facilities. The Company has established a mandatory internal requirement that all new facilities comply with LEED/BREEAM efficiency standards.

+ The continuous implementation of corporate and local projects (monitoring consumption, lighting replacements, improving insulation, updating equipment, etc.).

Measures adopted to improve renewable energy use

As a Group committed to renewable energy, Logista aims to consume green energy in all its directly managed offices in Spain, France, Italy and Portugal.

In the 2020 financial year, Logista consumed 50,563 MWh, of which 50,185 MWh corresponded to the purchase of renewable energy. In the 2021 financial year, Logista's electricity consumption fell to 49,912 MWh, with the purchase of renewable energy accounting for 49,476 MWh. This renewable energy consumption entails an estimated saving of 13,746 metric tonnes of CO₂e compared with conventional energy consumption, taking into account the different emissions factors in each country.

Measures adopted to ensure sustainable mobility

Logista is part of the national mobility committee set up by Spain's General Traffic Directorate (DGT) and works on the 'Autonomous Ready' project driven by the DGT and Barcelona city hall.

This project aims to lay the foundations for the testing and approval of autonomous vehicles and to define a regulatory framework that guarantees safe and sustainable urban mobility.

Meanwhile, temporary (remote working) and permanent (flexitime, compressed hours) measures introduced by Logista in 2021 are in line with the needs of cities in relation to the staggering of employee travel around times of peak traffic and congestion.

Water consumption

The discharging of wastewater is not considered a relevant aspect at Logista because, due to the Group's type of operations, this water is sanitary and is discharged into municipal water systems.

Good practices implemented to minimize water consumption include the installation of energy saving devices, consumption monitoring, panels and awareness campaigns, and the certification of all new Group installations under LEED / BREEAM efficiency standards.

In the 2021 financial year, water accounted for 0.006% of the Group's environmental impact, because it is only used for sanitary purposes (0.015% in 2020).

In the 2021 financial year, 106,744* m³ of the supply network was consumed, in accordance with local limits. In 2020, water consumption from the supply network stood at 104,017 m³ and was in line with the established local limits.

* For the months in which no current data is available, a calculation has been made based on estimated forecasts and/or data from the previous year.

Consumption of raw materials

The principal raw materials consumed by the Group and their quantities are shown below:

	2021 ¹ (t)	2020 ² (t)
Airpad film	110	119
Cardboard boxes and lids	8,485	8,653
Pallets	3,002	2,372
Paper	300	282
Single-use plastic bags	15	14
Reusable bags	1	0
Wrapping film	497	466
Biodegradable bags	0	0

1. For the months in which no current data is available, a calculation has been made based on estimated forecasts and/or data from the previous year.

2. The reason for the variation between the '2020' data reported in the non-financial information statement (EINF) for the 2020 financial year compared with those reported in the 2021 EINF is due to the adjustment of estimated data from the previous year to the updated data obtained in 2021.

Efficiency measures

Efficiency measures for improving the use of raw materials include the recovery of reusable cardboard boxes through a system involving specific continuous improvement actions.

In addition, the Group's Environment, Quality and Energy Efficiency Policy includes, among its commitments, the implementation of policies and good practices for the rational use of resources, where the formula underpinning its processes is optimisation.


+ Circular economy, waste prevention and management.

The Group has significantly reduced waste and emissions produced by its operations through the use and recovery of reusable cardboard boxes, via a system already implemented at Logista's centres in Spain, France, Italy and Portugal, and in its specialist express courier service for parcels and documents.

Due to the nature of its operations, the main types of waste currently generated by the Company are paper and cardboard, wood (pallets), municipal waste, plastics and oils.

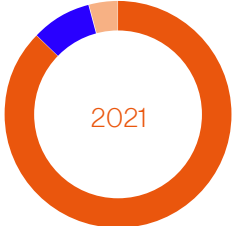
Hazard classification (Kg)

	2021 ¹	2020 ²
● Hazardous	15,044	12,949
● Not hazardous	17,850,478	16,790,452



Classification by end use (Kg)

	2021 ¹	2020 ²
● Recycling	15,449,637	13,943,262
● Landfill	1,640,627	1,462,264
● Energy recovery	775,258	1,397,875



The following waste materials are considered "hazardous": batteries, accumulators, absorbent materials, contaminated packaging and oils.

The following waste materials are considered "non-hazardous": tyres, urban waste, paper, cardboard, plastics and wood.

1. For the months in which no current data is available, a calculation has been made based on estimated forecasts and/or data from the previous year.

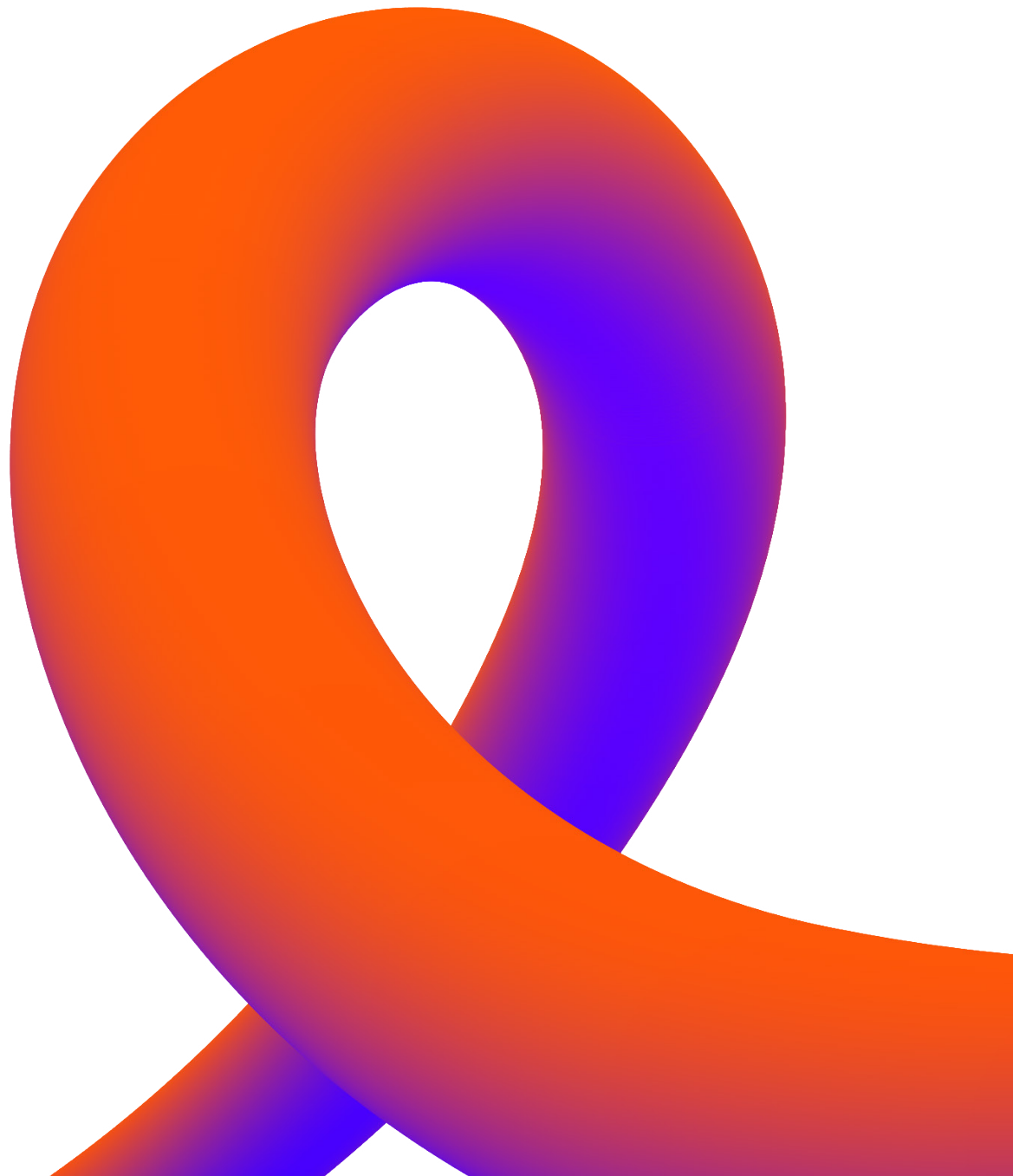
2. The reason for the variation between the '2020' data reported in the non-financial information statement (EINF) for the 2020 financial year compared with those reported in the 2021 EINF is due to the adjustment of estimated data from the previous year to the updated data obtained in 2021.

+ Protection of biodiversity. Logista's operations do not have a direct impact on protected areas. This is why biodiversity is not included in the Company's material considerations.

There was no significant impact on biodiversity during the 2021 financial year.

Strategic Objective	Actions	2021 target	Future actions
CO ₂ e emissions	<ul style="list-style-type: none"> + Science-backed reduction targets approved by the Science Based Targets Initiative + Monthly calculation and monitoring of emissions + Calculation and reporting of emissions detailed in Scope 3 	<p>Target:</p> <p>-2.1% per year</p> <p>CO₂e/ Mkm&€M</p>	<ul style="list-style-type: none"> + Improving the emissions calculation methodology + Rolling out of low-level reduction targets
Renewable energy	<ul style="list-style-type: none"> + Purchasing electricity from renewable sources at all facilities directly managed by Logista in Spain, France, Italy and Portugal + Monthly monitoring and control of energy consumption sources at the Group's facilities 	<p>Target:</p> <p>100%</p> <p>Electricity from renewable sources</p>	<ul style="list-style-type: none"> + Continuing consumption of electricity from renewable sources
Low carbon transport	<ul style="list-style-type: none"> + Increase percentage of low emission vehicles 	<p>Target:</p> <p>+15%*</p> <p>Logesta, Integra2 and Nacex fleet</p> <p><small>*Three-year target</small></p>	<ul style="list-style-type: none"> + Renew fleet in accordance with sustainability criteria and introduce use of alternative fuel vehicles.
Climate change management	<ul style="list-style-type: none"> + Maintain our excellent ranking with regard to managing and reporting on climate change, and initiatives relating to it 	<p>A</p> <p>CDP score</p>	<ul style="list-style-type: none"> + Align CDP's reporting and management requirements with Logista's climate change strategy

11. Impact on the community



Long-term employment relationship with its employees

Logista fosters a long-term employment relationship with its employees in a working environment with high levels of motivation and job satisfaction.

85%

of the Group's employees are permanent staff

Indirect local job creation

In addition to Logista's 5,851 employees, in 2021, partner companies and individuals collaborated indirectly with Logista in its various operations and countries, for example, Nacex franchisees, Integra2 agents, drivers, etc.

Minimising environmental impact

Logista applies good environmental practices in order to minimise the environmental impact of its operations.

+ Included in CDP's 'A List' for the fifth consecutive year

+ Recognised as a Supplier Engagement Leader by CDP

+ Part of the FTSE4Good index, a list of companies that demonstrate sound environmental, social and corporate governance practices

+ UNE-EN ISO 14064

+ Logista uses electricity from renewable sources at 99% of its premises

+ LEED/BREEAM certification for new premises

+ Over 75% of Logista's fleet comprises Euro 5 or Euro 6 vehicles

For more information about the environment, see [Minimising Environmental Impact](#)



Social initiatives

Logista is actively engaged in numerous social initiatives, mainly in its local areas.

+ Logista works with a range of foundations and associations that support and employ people with disabilities at risk of exclusion, with the aim of helping to integrate them into the labour market.

+ In the 2021 financial year, Logista employed 140 people with disabilities.

+ Contributions to foundations and non-profit organisations in the 2021 financial year amounted to €331,726 (€447,993 in 2020), the primary beneficiaries being those active in the areas of humanitarian response and social welfare and integration. These funds will be used to improve the quality of life of society's most vulnerable groups.

The majority of these contributions take the form of donations of consumer goods to parishes, social canteens and other frontline support providers.

+ Logista's Sustainability Policy is aligned with the United Nations Global Compact principles on human rights, labour, the environment and anti-corruption. This explicit commitment by the Company is integral to its business, and extends to all its employees, clients and suppliers, to respect and guarantee Human Rights compliance.

Partnership and sponsorship initiatives

+ Logista is a founding member of Grupo Español para el Crecimiento Verde, an organisation that works to convey its vision of a sustainable economic growth model compatible with the efficient use of natural resources to both society and government.

+ Logista sponsors The Madrid Futuro non-profit association which was founded by businesses and organisations looking to boost Madrid's recovery following the health and socioeconomic impact of the pandemic.

+ Every year Logista takes part in CDP's initiatives and for the fifth year running, the Company has been included in CDP's 'A List' for its climate change leadership. This year it has also been named a Supplier Engagement Leader by CPD.

+ At sector level, Logista is also involved with associations such as the Confindustria (the General Confederation of the Italian Industry), the Spanish Chamber of Commerce, the AESEG (Spanish association of generic drugs), the AEFI (Spanish Association of Industry's Pharmacists) and the AECOC (association of manufacturers and distributors).

Fiscal reporting

Country	Pre-tax profit/(loss) (€ thousand) in 2021	Pre-tax profit/(loss) (€ thousand) in 2020
Spain	113,575	79,203
France	23,234	24,254
Italy	109,378	104,012
Portugal	13,378	10,526
Poland	966	687
Total	260,531	218,682

Country	Corporate Income Tax Paid (cash basis) (€ thousand) in 2021	Corporate Income Tax Paid (cash basis) (€ thousand) in 2020
Spain	2,935	70,226
France	24,955	21,322
Italy	33,220	26,138
Portugal	2,907	4,683
Poland	174	201
Total	64,191	122,570

In 2021, as in 2020, Logista did not receive any public subsidy.

About this report

Logista's integrated annual report is drafted in accordance with the guidelines set out in the International Integrated Reporting Council (IIRC)'s framework for the preparation of integrated reports and in line with the GRI standards framework. The aim is to report on the most significant aspects for the Company in the implementation of its core business operations, including detailed information on economic, social and environmental matters, on respect for human rights, combating corruption and bribery, and on corporate governance among others. For this purpose, the most appropriate GRI have been selected for this report.

This report includes the updated statement on non-financial information and the annual CSR report and has been subject to an independent external review. The independent assurance report, which includes the objectives and scope of the external review, as well as the procedures used and their conclusions, are attached as an appendix.

This document forms part of the 2021 consolidated Management Report of Compañía de Distribución Integral Logista Holdings S.A. and its subsidiary companies. It is subject to the same criteria for approval, presentation and publication as the Management Report. By drafting this report, Logista complies with the provisions of Articles 262 of the Spanish Companies Act and Article 49 of the Spanish Code of Commerce, as amended by Law 11/2018 of 28 December 2018 on non-financial information and diversity.

Scope of reporting

The report's quantitative data correspond to the year 2021 financial year – the period from 1 October 2020 to 30 September 2021.

Figures are rounded, except percentages, in this report.

The qualitative information included in the report, explains the Company's performance and expected future performance following an analysis of the current context. It does not make a commitment to attaining those objectives, since they are subject to risks and uncertainties.

Scope

The quantitative and qualitative information in this report encompasses all the operations carried out by 100% of Logista's subsidiaries included in the scope of consolidation.

Materiality

To design the content of this report and select the significant aspects, Logista has carried out a materiality analysis to identify the most relevant aspects to report to its stakeholders, and to provide a response to non-financial information requirements under current regulations, while helps to define the Company's priorities to continue creating economic, environmental and social value.

Materiality analysis

During the 2021 financial year, Logista carried out a new materiality analysis. We expanded the scope of this year's analysis by contacting external stakeholders directly, including analysts, investors, clients, suppliers and other actors in corporate social responsibility. We also consulted our employees again, in their capacity as internal stakeholders.

Logista has therefore conducted a survey among contacts for different stakeholders using a closed questionnaire to identify the most relevant aspects for each group.

External stakeholders were asked which of Logista's key aspects with regard to the environment, social responsibility and corporate governance, they believe have or could have the greatest impact in their setting. To complete the analysis we consulted over 250 contacts from among our different external stakeholders.

In their capacity as internal stakeholders, employees were also asked about the impact these key aspects regarding the environment, social responsibility and corporate governance can have on Logista's operations, objectives, results, etc.

Participants were consulted about the following aspects:

Environment

- + Minimising the environmental impact of our operations
- + Environmental risk management
- + Adapting to regulations aimed at combatting climate change

Social

- + Client satisfaction
- + Quality of employment
- + Respect for human rights
- + Social impact

Corporate governance

- + Ethics and anti-corruption
- + Composition of the Board of Directors and Board Member Remuneration
- + Governance policies

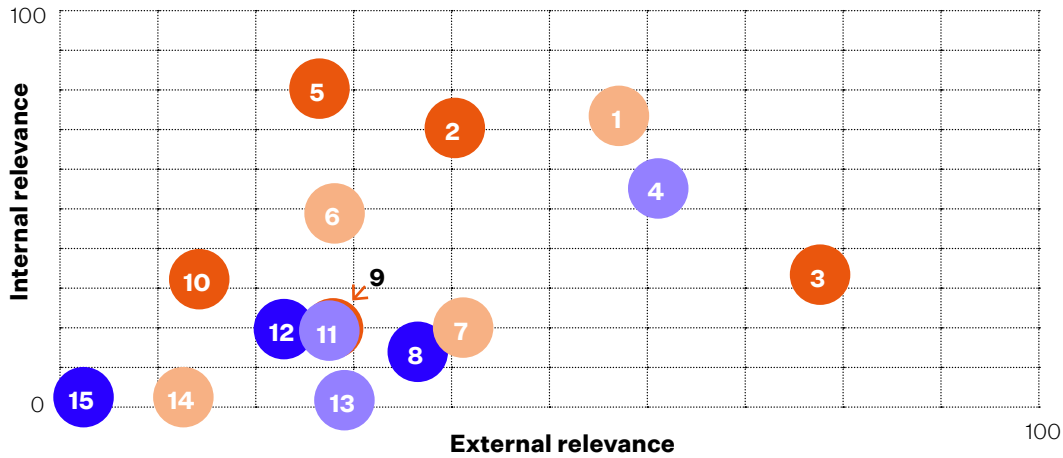
Operations and financial

- + Financial performance
- + Innovation
- + Cybersecurity
- + Risk management
- + Sustainable supply chain management

The aim of this analysis is to understand what aspects are relevant for each stakeholder, although the global materiality matrix in this Report is only a summary of the results.

To better identify different stakeholders' priorities and expectations with regard to the environment, social responsibility and corporate governance, Logista extended the questionnaire to include a specific question about each of these aspects.

Materiality Matrix



- 1 Client satisfaction
- 2 Innovation
- 3 Management of sustainable supply chain
- 4 Minimization of environmental impact of our operations
- 5 Economic performance
- 6 Employment quality
- 7 Social impact
- 8 Ethics & Anti-corruption
- 9 Risk management
- 10 Cibersecurity
- 11 Adaptation to regulations on fighting against climate-change
- 12 Governance policies
- 13 Management of environmental risks
- 14 Respecto for Human Rights
- 15 Composition and remuneration of the Board of Directors

The conclusions drawn from the materiality analysis indicate that client satisfaction, innovation, sustainable supply chain management and minimising the impact of our operations on the environment are the most relevant aspects overall. For external stakeholders, the most relevant aspect is sustainable supply chain management, while employees consider economic development to be the most important.

This icon is used throughout the report to indicate the aspects considered to be most relevant overall 🌟.

Connectivity

For further information on the 2021 financial year, Logista also publishes the following reports:

- + Annual Accounts
- + Annual Report on Corporate Governance
- + Annual Report on Remuneration of Directors

Contents required under Law 11/2018 and GRI indicators

Contents	Reference	Reporting framework
Business model		
- Business environment and business model	18-27	102-2
- Organisation and structure	16-17	102-2
- Markets in which the company operates	11	102-6
- Objectives and strategies	28	102-15
- Factors and trends affecting performance	26-29	102-15
Policies	These are set out in detail according to subject area in each of the respective sections of the report	102-15
Risks	These are set out in detail according to subject area in each of the respective sections of the report; in particular in Corporate Governance / Risk and Opportunity Management	102-15
Environmental matters		
Global		
- Effects of the company's operations on the environment, and on people's health and safety.	84-89	Internal framework: qualitative description of the principle effects
- Environmental assessment or certification procedures	79-93	Internal framework: qualitative description of assessments and certifications
- Principle of precaution, number of provisions and guarantees for environmental risks.	83-85	102-11
- Resources dedicated to environmental risk prevention	86	Internal framework: qualitative description of dedicated resources
Pollution		
- Measures associated with carbon emissions	88	Internal framework: qualitative description of key measures and action taken
- Measures associated with light, noise and other types of pollution	88	Internal framework: qualitative description of key measures and action taken
Circular economy and waste prevention and management		
- Initiatives aimed at promoting circular economy	92	306-2
- Measures associated with waste management	92	306-2
- Actions to combat food waste	No details, bearing in mind the company's business sector	n.a.
Sustainable use of resources		
- Water: consumption and supply	91	303-1
- Raw materials: consumption and measures	91	301-1
- Energy: consumption, measures and use of renewables	89-91	302-1

Contents	Reference	Reporting framework
Climate change		
- Greenhouse gas emissions	87	305-1/ 305-2/ 305-3
- Measures to adapt to climate change	86	Internal framework: qualitative description of measures
- Emission reduction targets	89	Internal framework: Qualitative description of targets
Biodiversity		
- Conservation measures	93	Internal framework: qualitative description of measures
- Impacts on protected areas	93	304-2
Social and staff-related matters		
Employment		
- Total number of employees and distribution by gender, age, nationality and professional category	63	102-8/405-1
- Total number and distribution of work contract types	63	102-8
- Annual average of permanent, temporary and part-time employees by gender, age and professional category	64	102-8/405-1
- Number of dismissals by gender, age and professional category	64	Internal framework: total number of dismissals during the financial year broken down by sex, age and professional category
- Average pay and change in average pay by gender, age and professional category, or equivalent.	65	Internal framework: average remuneration (including fixed and variable remuneration)
- Gender pay gap, remuneration for similar jobs or the company average	65	Internal framework: (1 - (average male remuneration - average female remuneration)/average male remuneration)
- Average remuneration of board members and directors	65-66	Internal framework: average remuneration including fixed and variable remuneration
- Policies for disconnecting from work	66	Internal framework: qualitative description of current policies
- Employees with disabilities	69	405-1
Organisation of working time		
- Organisation of work	66	Internal framework: qualitative description of organisation of working time
- Number of hours of absenteeism	66	Internal framework: number of hours of absenteeism
- Measures for work-life integration	66	Internal framework: qualitative description of measures
Health and safety		
- Health and safety conditions in the workplace	67	103- Health and safety in the workplace

Contents	Reference	Reporting framework
- Workplace accidents, particularly their frequency and severity	67	403-2 Internal framework: Frequency Index: number of work accidents with sick leave per 1,000,000 hours worked. Severity Index: number of days lost due to work accidents with medical leave for every 1,000 hours worked. Lost Time Accident Rate: number of work accidents with sick leave for every 200,000 hours worked.
- Professional illnesses, separated by gender	67	403-2
Social relationships		
- Facilitating social dialogue	68	Internal framework: qualitative description of the ways in which social dialogue is facilitated
- Percentage of employees covered by collective bargaining agreements by country	68	102-41
- Assessment of collective bargaining agreements on health and safety in the workplace.	68	403-1
Training		
- Policies implemented in training	68	Internal framework: qualitative description of policies
- Total hours of training by professional category.	68	Internal framework: total hours of training and total hours of training by professional category
Equality		
- Universal access for people with disabilities	69	Internal framework: qualitative description of measures
- Measures adopted to promote equality, plans for equality and policy against discrimination and diversity management	69	Internal framework: qualitative description of measures
- Equality plans and measures adopted to promote employment, protocols to prevent sexual and gender-based harassment.	69	Internal framework: qualitative description of measures
- Policy against any form of discrimination and, where applicable, for diversity management	69	Internal framework: qualitative description of diversity management
Human Rights		
- Due diligence procedures in human rights matters and where applicable, in relation to their mitigation, management and remedy	42-43	102-16/102-17
- Complaints relating to human rights violations.	43	406-1
- Promoting and compliance of ILO covenants relating to freedom of association and collective bargaining	42-43	102-16
- Elimination of employment discrimination, forced and child labour	42-43	102-16
Corruption and bribery		
- Measures adopted to prevent corruption and bribery	40-41	102-16/102-17
- Measures to combat money laundering	41	102-16/102-17

Contents	Reference	Reporting framework
- Contributions to foundations and non-profit organisations	96	Internal framework: amount of contributions in euros
Society		
Company commitments to sustainable development		
- Impact of the company's activity on local employment and development, local populations and populations in Spain.	11. 19. 95-96	Internal framework: qualitative description of impact
- Dialogue with the local community	21	Internal framework: qualitative description of dialogue
- Partnership and sponsorship initiatives	96	102-12/102-13
Subcontracting and suppliers		
- Inclusion of social, gender equality and environmental matters in the procurement policy	43. 75	102-9
- Consideration of social and environmental responsibility in relations with suppliers and subcontractors	75. 77	102-9
- Monitoring and auditing systems and their results	75	Internal framework: qualitative description of revisions related to the control systems implemented in every business
Consumers		
- Consumer health and safety measures	71-73	Internal framework: qualitative description of measures
- Complaints and claims systems and resolution process	71	102-17
Fiscal reporting		
- Profits by country	96	Internal framework: pre-tax profit/ (loss) by country
- Income tax paid	96	Internal framework: corporation tax paid by country
- Public subsidies received	96	201-4

Independent verification report

Independent Limited Assurance Report of the Integrated Annual Report
for the year ended September 30, 2021

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
AND SUBSIDIARIES



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INDEPENDENT LIMITED ASSURANCE REPORT OF THE INTEGRATED ANNUAL REPORT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Shareholders of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Integrated Annual Report for the year ended September 30, 2021, of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. and Subsidiaries (hereinafter, the Group), which is part of the accompanying Consolidated Directors' Report of the Group.

The content of the Integrated Annual Report includes additional information to that required by prevailing mercantile regulation in relation to non-financial information that has not been subject to our verification. In this regard, our review has been exclusively limited to the verification of the information shown in the section "Contents required under Law 11/2018 and GRI indicators" of the accompanying Integrated Annual Report.

Responsibility of the Board of Directors

The preparation of the Integrated Annual Report included in the Consolidated Directors' Report and its content is the responsibility of the Board of Directors of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. The Integrated Annual Report was prepared in accordance with the content required by prevailing company law and in conformity with the criteria outlined in the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) selected, as well as other criteria described in accordance with that indicated for each subject in the section "Contents required under Law 11/2018 and GRI indicators" of the Integrated Annual Report.

The Board of Directors are also responsible for the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of the Integrated Annual Report that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the Integrated Annual Report is obtained.

Our independence and quality control

We have complied with the independence and other Code of Ethics requirements for accounting professionals issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence, diligence, confidentiality and professionalism.

Our Firm complies with the International Standard on Quality Control No. 1 and thus maintains a global quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards, as well as applicable legal provisions and regulations.



The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the Integrated Annual Report, reviewing the process for gathering and validating the information included in the Integrated Annual Report, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the Integrated Annual Report based on the materiality analysis made by the Group and described in the section “About this report”, considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data included in the Integrated Annual Report for the year ended September 30, 2021.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the Integrated Annual Report.
- ▶ Checking, through tests, based on a selection of a sample, the information related to the content of the Integrated Annual Report for the year ended September 30, 2021 and its correct compilation from the data provided.
- ▶ Obtaining a representation letter from the Board of Directors and Management.



Conclusions

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that the Group's Integrated Annual Report for the year ended September 30, 2021 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria of the selected GRI standards, as well as other criteria, described as explained for each subject matter in the section "Contents required under Law 11/2018 and GRI indicators" of the Integrated Annual Report.

Use and distribution

This report was prepared in response to the requirement established by prevailing company law in Spain and may not be appropriate for other uses and jurisdictions.

ERNST & YOUNG, S.L.

(Signed on the original version in Spanish)

Alberto Castilla Vida

November 4, 2021