

**CARMILA**

Limited company (*société anonyme*) with share capital of €875,389,008  
Registered office: 58 avenue Emile Zola, 92100 Boulogne-Billancourt, France  
Nanterre Trade and Companies Register (RCS) 381 844 471

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**DRAFT OF THE  
BY-LAWS**

## **PREAMBLE**

At Carmila, proximity is at the heart of everything we do.

We give everyone access to a well-designed offer of products and services that are useful on a daily basis.

We connect retailers and customers as close as possible to where they live. We develop and bring to life practical and user-friendly shopping centres on a human scale that create links, energise local regions and strengthen their unity.

As a partner to retail brands and merchants, we innovate alongside them to develop services that improve and simplify our customer experiences and give them an enjoyable time.

Creating this proximity enables us to fulfil our mission: to simplify life and improve the daily lives of retailers and customers in the heart of all local regions.

### **I. LEGAL STRUCTURE – NAME – PURPOSE – REGISTERED OFFICE – DURATION - FINANCIAL YEAR**

#### **ARTICLE 1. LEGAL STRUCTURE**

The Company is a limited company (*société anonyme*), governed by the applicable laws and regulations, and these by-laws.

#### **ARTICLE 2. NAME**

The name of the Company is: "Carmila".

#### **ARTICLE 3. PURPOSE**

The Company's main purpose is to acquire or construct commercial or industrial buildings or groups of buildings for leasing or rental purposes, to directly or indirectly hold interests in legal entities whose purpose is to acquire or construct buildings or groups of commercial buildings for leasing or rental purposes, and, more generally, to hold and operate sites, commercial or industrial buildings or groups of buildings for leasing or rental purposes, particularly shopping centres located in France and abroad.

And, for this purpose:

- to acquire by any means (including through exchange or contribution or any other type of transfer) and/or construct any sites, buildings, assets and property rights for leasing or rental purposes; to manage, administrate, rent, lease and develop any sites, assets and property rights; to furnish and equip all building complexes for rent; and any other activities associated with or related to the abovementioned business, directly or indirectly, acting alone or through an association, joint venture, group or company with any other persons or companies;
- to engage, by any means, in transactions relating to its purpose by way of acquisition of interests or shareholdings, by any means and in any form, in any French or foreign real estate, industrial, financial or commercial company, in particular by way of acquisition, creation of new companies, subscription or purchase of securities or corporate rights, contributions, mergers, alliances, joint ventures, economic interest groups or otherwise, as well as to administer, manage and control these interests or shareholdings;

- on an exceptional basis: to exchange or dispose of securities held or assets or real estate acquired or built for leasing or rental purposes in accordance with the Company's main purpose by way of sale, contribution or otherwise; and
- generally, all commercial, financial and industrial transactions and all transactions in movable or real property relating directly or indirectly to the Company's purpose and any similar or connected purpose likely to facilitate the completion thereof or promoting its extension or development (including, in particular, concerning buildings or groups of buildings for leasing or rental purposes, other than for commercial purposes).

#### **ARTICLE 4. REGISTERED OFFICE**

The Company's registered office is located at 58 avenue Emile Zola, 92100 Boulogne-Billancourt, France.

It may be transferred to any other location within French territory, as decided by the Board of Directors, subject to the approval of the following Ordinary Shareholders' Meeting.

#### **ARTICLE 5. DURATION**

The Company will continue in existence until 31 December 2089, unless it is wound-up early, or the duration is extended pursuant to the By-laws.

#### **ARTICLE 6. FINANCIAL YEAR**

The financial year begins on 1 January and ends on 31 December each year.

## **II. SHARE CAPITAL - SHARES**

#### **ARTICLE 7. SHARE CAPITAL**

The share capital is eight hundred seventy-five million three hundred eighty-nine thousand and eight (€875,389,008) euros divided into one hundred forty-five million eight hundred ninety-eight thousand one hundred sixty-eight (145,898,168) shares with a nominal value of six euros (€6) each.

The shares are divided into four classes:

- 145 614 215 class A shares (the "**A Shares**") which are ordinary shares;
- 139,306 class C shares (the "**C Shares**") which are preference shares issued pursuant to Articles L. 228-11 et seq. of the French Commercial Code;
- 144 647 class D shares (the "**D Shares**") which are preference shares issued pursuant to Articles L. 228-11 et seq. of the French Commercial Code;

In these Bylaws, A Shares, C Shares, and D Shares are together defined as the "**Shares**", holders of A Shares as the "**A Shareholders**", holders of C Shares as the "**C Shareholders**", holders of D Shares as the "**D Shareholders**", A, C and D Shareholders as "**Shareholders**".

#### **ARTICLE 8. FORM OF THE SHARES**

A Shares are registered or bearer shares, as decided by the shareholder, under the applicable legal provisions.

Fully paid up C, and D Shares are registered shares.

The Company may use the means authorised by applicable law and regulations for the identification of holders of shares conferring an immediate or future right to vote at its Shareholders' meetings, and may apply any sanctions related to such shares.

Any natural person or legal entity, acting alone or in concert, who holds a number of shares representing 1% or more of the share capital or of voting rights, up to a total of 30% of the share capital or voting rights, must inform the Company of the total number of shares and voting rights held, as well as the number of securities giving access to the share capital in the future, and any voting rights potentially attached to those shares, and any shares that such person may acquire by virtue of an agreement or financial instrument. In each case, the information must be conveyed by registered letter with acknowledgement of receipt within five trading days after crossing the applicable threshold.

The obligation to inform the Company also applies in cases where the interest of the relevant holder of share capital or voting rights falls below the thresholds mentioned in paragraph 3 of this Article.

Subject to the foregoing obligations, this obligation to report the crossing of thresholds is governed by the same legal obligation pursuant to applicable law and regulations, including legal or regulatory provisions with respect to assimilation of the shares and voting rights with previously owned shares.

At the request of one or several shareholders holding at least 5% of the capital or voting rights of the Company and recorded in the minutes of the Shareholders' meeting, the sanctions provided for by law in the event of failure to declare the crossing of legal thresholds also apply in the event of a failure to declare the crossing of thresholds pursuant to these by-laws.

## **ARTICLE 9. SHARE DISPOSAL AND TRANSFER**

There are no restrictions on the trading of shares.

Share trading takes place by transfer between accounts, in line with statutory and regulatory rules.

## **ARTICLE 10. RIGHTS AND OBLIGATIONS ATTACHED TO EACH SHARE**

### **I. COMMON RIGHTS ATTACHED TO THE SHARES**

1. Each A Share gives the right to a share in the distribution of profits proportional to the number of existing A Shares. C and D Shares are not entitled to dividends.

Each share entitles the holder to a portion of the liquidation surplus in proportion to the number of existing shares.

2. Whenever it is necessary to possess a certain number of shares in order to exercise a right, it is up to the owners who are not in possession of that number to take personal responsibility for obtaining the number of securities required or a multiple thereof, and the provisions of Article L. 228-6-1 of the French Commercial Code shall apply to fractional rights.

### **II. RIGHTS SPECIFIC TO A SHARES**

Each A Share entitles its holder to one (1) vote, it being specified that this one (1) vote per A Share ratio prevails, notwithstanding<sup>[L. 228-10]</sup> any non-mandatory legal or regulatory provision to the contrary<sup>[L. 228-10]</sup> (including the double voting right provided for by Article L. 225-123 of the French Commercial Code).

### **III. RIGHTS AND RESTRICTIONS SPECIFIC TO C and D SHARES**

1. Preference shares and the rights of their holders are governed by the applicable provisions of the French Commercial Code, and in particular Articles L. 228-11 et seq.

2. C Shares do not have the right to vote.

3. Each D Share entitles the holder to one (1) vote. If, on the Expiry Date of the Holding Period, the number of A Shares to which the D Shares held by all or part of the holders would give right by conversion would be equal to zero, each D Share would no longer have voting rights.

4. At the end of the holding period for C Shares and D Shares, as set in C Share and D Share bonus share plans governing their allocation (the "**Holding Period**") (the "**Expiry Date of the Holding Period**"), C Shares and D Shares will be automatically converted into A Shares, under the conditions set out in paragraphs 3 to 4.3.3, it being specified that, with respect to the Company's corporate officers, the Board of Directors will have the option to postpone the conversion date to the date on which their positions as corporate officers within the Company terminate.

5. Each C Share and D Share will entitle the holder to a maximum number of one (1) A Share, subject to satisfying the performance conditions set out hereafter (the "**Performance Conditions**"). The number of A Shares that may result from the conversion of C and D Shares will be calculated by the Board of Directors on the Expiry Date of the Holding Period based on the degree of fulfilment of the Performance Conditions (the "**Conversion Ratio**"), it being specified that if the degree of fulfilment of the applicable Performance Conditions exceeds 100%, the Conversion Ratio will be, depending on the case, one (1) A Share for one (1) C Share, or one (1) A Share for one (1) D Share.

#### **4. The Performance Conditions of C and D Shares are as follows:**

##### **4.1. C Shares**

##### **4.1.1. The Performance Conditions of C Shares are as follows:**

- **Condition 1: Carmila's Total Shareholder Return (TSR) over three years to the end of 2021 compared with a panel benchmark ("Performance Condition 1" representing 25% of Performance Conditions)**

For the purposes of this Article:

The "**EPRA NNAV 2021**" refers to the total triple EPRA Net Asset Value published by the Company on 31 December 2021.

The "**EPRA NNAV 2018**" refers to the total triple EPRA Net Asset Value published by the Company on 31 December 2018.

The "**Panel**" refers to the panel of companies comparable to the Company, as determined by the Company's Board of Directors in the plan regulations.

"**Carmila's 3-year TSR 2021**" refers to the ratio between (i) on the one hand, the Company's EPRA NNAV 2021 to which any distributions between 1 January 2019 and 31 December 2021 will have been added; and (ii) on the other hand, the EPRA NNAV 2018.

The "**Panel's 3-year TSR 2021**" refers to the average 3-year TSR 2021 for companies in the Panel, i.e. for each company, the ratio between (i) on the one hand, the EPRA NNAV at the end of 2021 to which any distributions by those companies between 1 January 2019 and 31 December 2021 will have been added; and (ii) on the other hand, the EPRA NNAV at the end of 2018 for those same companies.

- If Carmila's 3-year TSR 2021 is equal to the Panel's 3-year TSR 2021, Performance Condition 1 will have been 50% achieved.
- If Carmila's 3-year TSR 2021 exceeds the Panel's 3-year TSR 2021 by 1 point, Performance Condition 1 will have been 75% achieved.
- If Carmila's 3-year TSR 2021 exceeds the Panel's 3-year TSR 2021 by 2 points, Performance Condition 1 will have been 100% achieved.
- If Carmila's 3-year TSR 2021 exceeds the Panel's 3-year TSR 2021 by 3 points, Performance Condition 1 will have been 120% achieved.

If the result falls between two boundaries, the achievement of Performance Condition 1 will be calculated by linear interpolation.

- **Condition 2: Growth of Recurring Earnings per Share (“Performance Condition 2” representing 25% of Performance Conditions)**

For the purposes of this Article, the “Target range” refers to the target growth of recurring earnings for year n as published by the Company, in the published annual results for n-1. This target will be expressed as a range of values between a lower boundary and an upper boundary.

For each year in question (2019, 2020 and 2021 each contributing one third to Performance Condition 2),

- If the Recurring Earnings per Share published by the Company for financial years 2019, 2020 and 2021 is beneath the lower boundary of the Target range for the year in question, the Performance Condition 2 for the year in question is deemed not to have been achieved.
- If the Recurring Earnings per Share published by the Company for financial years 2019, 2020 and 2021 is equal to the lower boundary of the Target range for the year in question, the Performance Condition 2 for the year will be deemed to have been 30% achieved.
- If the Recurring Earnings per Share published by the Company for financial years 2019, 2020 and 2021 is equal to the upper boundary of the Target range for the year in question, the Performance Condition 2 for the year in question will be deemed to have been 100% achieved.

The rate of achievement of Performance Condition 2 will be equal to the average of achievement rates for the three years 2019, 2020 and 2021.

If the Recurring earnings per Share published by the Company for financial years 2019, 2020 and 2021 exceeds the median of the lower and upper boundaries of the Target range for the year in question in each of the three years, the Performance Condition 2 achievement rate will be adjusted upwards by 20 points.

- **Condition 3: Asset Certification rate (“Performance Condition 3” representing 25% of Performance Conditions)**

Within the meaning of this Article, the “Certification Rate” refers to the appraisal value, transfer taxes included, of the assets in the Company’s portfolio for which environmental certification has been obtained in relation to the total appraisal value, transfer taxes included, for the Company’s whole portfolio.

- If the Certification Rate obtained at 31 December 2021 is 50%, the Performance Condition 3 achievement rate is 0%.
- If the Certification Rate obtained at 31 December 2021 is 65%, the Performance Condition 3 achievement rate is 100%.
- If the Certification Rate obtained at 31 December 2021 is 80%, the Performance Condition 3 achievement rate is 120%.

If the result falls between two boundaries, the achievement of Performance Condition 3 will be calculated by linear interpolation.

- **Condition 4: Carmila’s Total Shareholder Return (trading TSR) over three years to the end of 2021 compared with a panel benchmark (“Performance Condition 4” representing 25% of Performance Conditions)**

For the purposes of this Article:

The “**Panel**” refers to the panel of companies comparable to the Company, as determined by the Company’s Board of Directors in the plan regulations.

“**Carmila’s 3-year trading TSR 2021**” refers to the ratio between (i) on the one hand, the Company’s average closing prices over the last 40 trading days in the 2021 financial year, plus any distributions between 1 January 2019 and 31 December 2021; and (ii) on the other hand, the Company’s closing price at 31 December 2018 i.e. €16.16 per share.

The “**Panel’s 3-year trading TSR 2021**” refers to the average of three-year TSRs at the end of 2021 for the companies in the panel, i.e. for each company, the ratio between (i) on the one hand, the

average of closing prices in the last 40 trading days of the 2021 financial year, plus any distributions by those companies between 1 January 2019 and 31 December 2021; and (ii) on the other hand, the closing market price at 31 December 2018 of those same companies.

- If Carmila's 3-year trading TSR 2021 is lower than the Panel's 3-year trading TSR 2021 by 5 points, Performance Condition 4 will not have been achieved.
- If Carmila's 3-year trading TSR 2021 is equal to the Panel's 3-year trading TSR 2021, Performance Condition 4 will have been 100% achieved.
- If Carmila's 3-year trading TSR 2021 exceeds the Panel's 3-year trading TSR 2021, Performance Condition 4 will have been 120% achieved.

If the result falls between two boundaries, the achievement of Performance Condition 4 will be calculated by linear interpolation.

**4.1.2.** The number of A Shares resulting from the conversion must be determined, for each C Shareholder, by applying the Conversion Ratio to the number of C Shares held by the holder at the conversion date, with the Conversion Ratio weighted as follows:

- 0% of the Conversion Ratio if the holder is no longer an employee of the Company or one of its subsidiaries at the end of the one (1) year vesting period;
- 20% of the Conversion Ratio if the holder is still an employee of the Company or one of its subsidiaries at the end of the one (1) year vesting period;
- 40% of the Conversion Ratio if the holder is still an employee of the Company or one of its subsidiaries at the end of one (1) year of Lock-Up Period;
- 100% of the Conversion Ratio if the holder is still an employee of the Company or one of its subsidiaries at the end of a two (2) year Lock-Up Period, i.e. on the date of conversion of the C Shares into A Shares;
- as an exception, between 0% and 100% of the Conversion Ratio, upon the decision of the Board of Directors, if the holder is no longer an employee on the Share Lock-up Period Expiry Date, and depending on the circumstances and/or the date of his/her departure.

Where the total number of A Shares that should be received in respect of the conversion of all C Shares held by a holder is not a whole number, the said holder will receive the whole number of A Shares immediately above subject to provisions of paragraph III.3 of article 10 of the present by-laws.

The Company will notify C Shareholders of the conversion on the Lock-Up Period Expiry Date.

A Shares produced by the conversion of C Shares will become permanently included in the Company's A Shares in existence on their date of conversion and carry standard dividend rights.

The total number of A Shares that could result from the conversion of the C Shares may not exceed 180,000 A Shares, with this number not taking account of any adjustments made to preserve the rights of the C Shareholders, in accordance with the legal and regulatory provisions, where applicable.

No later than fifteen (15) days prior to each Shareholders' meeting, shareholders will have access to a supplementary Board of Directors' report and a supplementary Statutory Auditors' report, produced in accordance with Article R. 228-18 of the French Commercial Code on conversions of C Shares into A Shares.

#### **4.1.3. Buyback of C Shares**

In the scenario where, after the Lock-up Period Expiry Date, the number of A Shares to which the C Shares held by some or all of the holders would give rights through conversion is equal to zero, the Company will, at its sole initiative, buy back the said C Shares for the purpose of cancelling them.

All C Shares bought back in this way will be permanently cancelled on their buyback date and the Company's share capital reduced by that amount, with creditors benefiting from a right to oppose.

C Shares will be bought back at their unit face value. The Company will notify C Shareholders of the buyback by any means prior to the actual buyback date.

The Board of Directors must note the number of any C Shares bought back and cancelled by the Company and make the necessary changes to the Articles of these by-laws.

## 4.2 D Shares

### 4.2.1 The Performance Conditions of the D Shares are as follows:

- **Condition 1: Carmila's three-year Total Shareholder Return (TSR) at the end of 2022 compared to a benchmark panel (the "Performance Condition 1" representing 25% of the Performance Conditions)**

For the purposes of this Article:

**"EPRA 2022 Net Tangible Assets"** means the EPRA Net Tangible Assets published by the Company at 31 December 2022.

**"EPRA 2019 Net Tangible Assets"** means the EPRA Net 4 Tangible Assets published by the Company at 31 December<sup>[L]<sub>SEP</sub></sup>2019.

The **"Panel"** refers to the panel of the following companies: Unibail-Rodamco-Westfield, Klepierre, CityCon OYJ, Eurocommercial Properties, Deutsche Euroshop, Wereldhave, Mercialis, Vastned Retail, Immobiliare Grande and Atrium European Real Estate, it being specified that the Board of Directors may, if it deems it necessary, exclude from the Panel those companies whose 3-year TSR in 2022 is affected (i) by exceptional capital transactions, in particular capital increases or capital decreases, or (ii) by the occurrence of any event that would significantly impact comparability with the other companies in the Panel and/ or Carmila.

The **"Carmila 3-year TSR in 2022"** means the ratio between (i) the Company's EPRA 2022 Net Tangible Assets plus any distributions made between 1 January 2020 and 31 December 2022; and (ii) the EPRA 2019 Net Tangible Assets.

The **"Panel's 3-year TSR in 2022"** means the arithmetic average of the TSR in 2022 for the companies in the panel over three years, i.e. for each company, the ratio between (i) the EPRA Net Tangible Assets at end-2022, plus any distributions made by these companies between 1 January 2020 and 31 December 2022; and (ii) the EPRA Net Tangible Assets at end-2019 for the same companies. For the purposes of calculating the TSR in 2022 of Carmila and the other companies on the Panel, preference will be given to the division of EPRA Net Tangible Assets per share. However, for companies that have carried out significant capital transactions during the period which make the calculation per share irrelevant, a growth rate calculated on the basis of total EPRA Net Tangible Assets values may be used.

- If the Carmila 3-year TSR in 2022 is equal to the Panel's 3-year TSR in 2022, Performance Condition 1 will be satisfied at 50%.<sup>[L]<sub>SEP</sub></sup>
- If the Carmila 3-year TSR in 2022 is greater than the Panel's 3-year TSR in 2022 by one (1) point, Performance Condition 1 will be satisfied at 75%.<sup>[L]<sub>SEP</sub></sup>
- If the Carmila 3-year TSR in 2022 is greater than the Panel's 3-year TSR in 2022 by 2 points, Performance Condition 1 will be satisfied at 100%.<sup>[L]<sub>SEP</sub></sup>
- If the Carmila 3-year TSR in 2022 is greater than the Panel's 3-year TSR in 2022 by 3 points, Performance Condition 1 will be satisfied at 120%.<sup>[L]<sub>SEP</sub></sup>
- If the result obtained is between two endpoints, the degree of satisfaction of Performance Condition 1 will be calculated by linear interpolation.<sup>[L]<sub>SEP</sub></sup>
- **Condition 2: Growth in Recurring Earnings per Share ("Performance Condition 2" representing 25% of the Performance Conditions)**

For the purposes of this Article, **"Target Range"** refers to the Recurring Earnings Growth target for

year n published by the Company at the time of the publication of the (n- 1) annual results. This target will be expressed through a range of values between a lower and higher boundary.

For each year considered (2020, 2021 and 2022 each contributing one-third of Performance Condition 2),

- If the Recurring Earnings per Share published by the Company for financial years 2020, 2021 and 2022 is less than the lower boundary of the Target Range for the year in question, Performance Condition 2 for the year in question will be deemed satisfied at 0%. [L] [SEP]
- If the Recurring Earnings per Share published by the Company for financial years 2020, 2021 and 2022 is equal to the lower boundary of the Target Range for the year in question, Performance Condition 2 for the year in question will be deemed satisfied at 30%. [L] [SEP]
- If the Recurring Earnings per Share published by the Company for financial years 2020, 2021 and 2022 is equal to the higher boundary of the Target Range for the year in question, Performance Condition 2 for the year in question will be deemed satisfied at 100%. The rate of achievement of Condition 2 will be equal to the average of the achievement rates of the three years 2020, 2021 and 2022. [L] [SEP]
- If the Recurring Earnings per Share published by the [L] [SEP] Company for financial years 2020, 2021 and 2022 is greater than the median of the lower and higher [L] [SEP] boundaries of the Target Range of the year in question, [L] [SEP] for each of the three years, the rate of achievement of Performance Condition 2 will be increased by 20 points. [L] [SEP]
- **Condition 3: Achievement of CSR Criteria (“Performance Condition 3” representing 25% of the Performance Conditions)**

*Criterion 1: Workplace gender equality index*

For the purposes of this Article, “**the 2022 Equality Index**” means the professional equality index between men and women, published in the 1<sup>st</sup> quarter of 2023 by the Company on the basis of compensation data for the Company’s financial year 2022 covering the scope of its headcount.

- If the 2022 Equality Index is 75%, the achievement rate of Performance Condition 3 is 0%. [L] [SEP]
- If the 2022 Equality Index is 90%, the achievement rate of Performance Condition 3 is 50%. [L] [SEP]
- If the 2022 Equality Index is 95%, the achievement rate of Performance Condition 3 is 60%. [L] [SEP]
- If the result obtained is between two endpoints, the degree of satisfaction of Performance Condition 3 will be calculated by linear interpolation. [L] [SEP]

*Criterion 2: GRESB Rating [L] [SEP]*

For the purposes of this Article, “**the 2022 GRESB Rating**” means the Company’s ESG performance rating published by the Global Real Estate Sustainability Benchmark (GRESB<sup>1</sup>) or GRESB Score in

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<sup>1</sup> The GRESB (Global Real Estate Sustainability Benchmark) is a private organization whose mission is to evaluate and compare the environmental, social and governance (ESG) performance of assets worldwide and to provide standardized and verified data to the financial markets.

the European listed companies category, during the 1st half of 2023 based on Company data from the 2022 financial year and/or at 31 December 2022.

- If the 2022 GRESB Rating is 80/100, the achievement rate of Performance Condition 3 is 0%.
- If the 2022 GRESB Rating is 90/100, the achievement rate of Performance Condition 3 is 50%. <sup>[L]</sup><sub>[SEP]</sub>
- If the 2022 GRESB Rating is 95/100, the achievement rate of Performance Condition 3 is 60%. <sup>[L]</sup><sub>[SEP]</sub>

The achievement rate of Performance Condition 3 will be equal to the sum of the achievement rates for each of the two criteria. <sup>[L]</sup><sub>[SEP]</sub>

- **Condition 4: Carmila’s 3-year Total Shareholder Return (TSR) at the end of 2022 compared to a benchmark panel (“Performance Condition 4” representing 25% of the Performance Conditions)**

For the purposes of this Article:

The “**Panel**” refers to the panel of companies defined in Performance Condition 1 above.

The “**Carmila 3-year Total Shareholder Return (TSR) in 2022**” means the ratio between (i) the average closing price of the Company’s shares of the last 40 trading days of financial year 2022, plus any distributions made between 1 January 2020 and 31 December 2022; and (ii) the average closing price of the Company’s shares of the last 40 trading days of financial year 2019, i.e. €18.40 per share.

The “**Panel’s 3-year Total Shareholder Return (TSR) in 2022**” means the average TSR for the companies in the panel over three years to end-2022, i.e. for each company, the ratio between (i) the average closing price of the last 40 trading days of financial year 2022, plus any distributions made by these companies between 1 January 2020 and 31 December 2022; and (ii) the average closing price of the last 40 trading days of financial year 2019, for the same companies.

- If the Carmila 3-year TSR in 2022 is equal to the Panel’s 3-year TSR in 2022, Performance Condition 4 will be satisfied at 50%. <sup>[L]</sup><sub>[SEP]</sub>
- If the Carmila 3-year TSR in 2022 is greater than the <sup>[L]</sup><sub>[SEP]</sub>Panel’s 3-year TSR in 2022 by 1 point, Performance <sup>[L]</sup><sub>[SEP]</sub>Condition 4 will be satisfied at 75%. <sup>[L]</sup><sub>[SEP]</sub>
- If the Carmila 3-year TSR in 2022 is greater than the Panel’s 3-year TSR in 2022 by 2 points, Performance Condition 4 will be satisfied at 100%. <sup>[L]</sup><sub>[SEP]</sub>
- If the Carmila 3-year TSR in 2022 is greater than the Panel’s 3-year TSR in 2022 by 3 points, Performance Condition 4 will be satisfied at 120%. <sup>[L]</sup><sub>[SEP]</sub>
- If the result obtained is between the two endpoints indicated above, the degree of satisfaction of Performance Condition 4 will be calculated by linear interpolation. <sup>[L]</sup><sub>[SEP]</sub>

#### **4.2.2 Conversion Ratio**

The number of A Shares resulting from the conversion shall be determined, for each holder of D Shares, by applying the Conversion Ratio to the number of D Shares held by the holder on the conversion date, the Conversion Ratio being weighted as follows:

- 0% of the Conversion Ratio if the holder is no longer employed by the Company or by

Carrefour S.A. or one of their subsidiaries at the end of the one (1) year Vesting Period; <sup>[L]</sup><sub>[SEP]</sub>

- 20% of the Conversion Ratio if the holder is still employed by the Company or by Carrefour S.A. or one of their subsidiaries at the end of the one (1) year Vesting Period; <sup>[L]</sup><sub>[SEP]</sub>
- 40% of the Conversion Ratio if the holder is still employed by the Company or by Carrefour S.A. or one of their subsidiaries at 31 December 2021; <sup>[L]</sup><sub>[SEP]</sub>
- 100% of the Conversion Ratio if the holder is still employed by the Company or by Carrefour S.A. or one of their subsidiaries at 31 December 2022; <sup>[L]</sup><sub>[SEP]</sub>
- exceptionally, 100% of the Conversion Ratio, if the holder is no longer employed by the Company or Carrefour S.A. or one of their subsidiaries at the end of the Holding Period for one of the following reasons:
  - i. the retirement or compulsory retirement of the holder by the employer at the legal minimum age;
  - ii. the redundancy of the holder for economic reasons; <sup>[L]</sup><sub>[SEP]</sub>
  - iii. the loss of control by Carmila S.A. or Carrefour S.A. of the <sup>[L]</sup><sub>[SEP]</sub> company employing the holder; and <sup>[L]</sup><sub>[SEP]</sub>
  - iv. the dismissal of a salaried employee or a corporate officer for personal reasons, other than serious misconduct or gross misconduct (these concepts having the meaning in jurisprudence of the Court of Cassation regarding the classification of a dismissal for serious misconduct or gross misconduct, it being specified that, for persons who are not salaried employees, the classification of this serious misconduct or gross misconduct must be assessed as if the duties performed by this person had been those of an employee bound by an employment contract to the Carmila Group). <sup>[L]</sup><sub>[SEP]</sub>
- exceptionally, between 0% and 100% of the Conversion Ratio, by decision of the Board of Directors, if the holder is no longer employed by the Company or Carrefour S.A. or one of their subsidiaries on the Expiry Date of the Holding Period and based on the circumstances and/or the date of his/her departure. <sup>[L]</sup><sub>[SEP]</sub> Where the total number of A Shares to be received on conversion of all D Shares held by a holder is not a whole number, such holder will receive the next higher number of A Shares, subject to the provisions of Article 10, paragraph III.3 of these Bylaws. <sup>[L]</sup><sub>[SEP]</sub> The Company will inform the holders of D Shares of the conversion on the Expiry Date of the Holding Period. <sup>[L]</sup><sub>[SEP]</sub>

The A Shares resulting from the conversion of the D Shares will be identical in all respects to existing A Shares of the Company on their conversion date and will carry current dividend rights.

The maximum total number of A Shares liable to result from the conversion of D Shares may not exceed 150,000 A Shares. This number does not take into account any adjustments made to preserve the rights of holders of D Shares, in accordance with the applicable legal and regulatory provisions and, where applicable, contractual provisions.

No later than fifteen (15) days before each Shareholders' Meeting, a supplementary report of the Board of Directors and a supplementary report of the Statutory Auditors, prepared in accordance with Article R. 228-18 of the French Commercial Code, relating to the conversion of D Shares into A Shares, shall be made available to the shareholders.

If one or more of the following events occurs:

- transactions affecting the Company's share capital, in particular a change in the par value of

the ordinary shares, a capital increase by incorporation of reserves carried out by increasing the number of ordinary shares, incorporation of retained earnings into capital, stock split or reverse stock split, depreciation of capital or change in the distribution of profits; [SEP]

- changes in the Company's accounting methods rendering all or part of the Performance Conditions inoperable or irrelevant; or [SEP]
- significant change or disappearance of a key element or characteristic of one of the performance conditions referred to in Clause 4.3.1 above, which renders that performance condition inoperable or irrelevant; or
- significant external growth transactions or asset disposals; [SEP] the Board of Directors of the Company may, if necessary and upon the proposal of the Compensation and Nominating Committee of the Company, adjust the performance condition and/or the Conversion Ratio of the D Shares into A Shares as necessary in order to preserve the rights of the holders of D Shares.

#### **4.2.3 D Share buyback**

In the event that, on the Expiry Date of the Holding Period, the number of A Shares resulting from the conversion of D Shares held by all or some of the holders would be equal to zero, the Company shall, at its sole initiative, repurchase and cancel said D shares.

All D Shares thus repurchased will be definitively cancelled on their repurchase date and the Company's share capital will be correspondingly reduced, with creditors having a right of veto.

The D Shares will be repurchased at a value determined by an independent expert appointed by the Board of Directors.

The Company will inform holders of D Shares of the repurchase through any means before the effective date of the repurchase.

The Board of Directors shall acknowledge, if necessary, the number of D Shares repurchased and cancelled by the Company and shall make the necessary amendments to these Bylaws.

### **ARTICLE 11. PAYING-UP OF SHARES**

Unpaid amounts on shares to be paid-up in cash are called for by the Board of Directors, which shall determine the dates and the size of the capital calls.

Shareholders who do not make the payments owed on the shares they own when they fall due must, by force of law, pay late payment interest to the Company. This interest is calculated daily, as of the due date, at the rate of six per cent (6%), without any need for legal action and without prejudice to any enforcement measures provided for in law.

## **III. ADMINISTRATION AND GENERAL MANAGEMENT**

### **ARTICLE 12. BOARD OF DIRECTORS**

#### **12.1 Composition of the Board of Directors**

The Company is managed by a Board of Directors consisting of three to eighteen members, subject to derogations provided for by law in the event of a merger.

#### **12.2 Duration of mandates - Dismissal**

Directorships last for four years. Exceptionally, so that the Board of Directors is renewed each year on a rolling basis, the Shareholders' meeting may appoint one or more directors for a different duration, which may not exceed four years.

Directorships shall end at the close of the Ordinary Shareholders' Meeting called to approve the financial statements of the past financial year and held in the year during which the mandate of the director in question has expired.

Directors may be dismissed at any time by the Ordinary Shareholders' Meeting.

### 12.3 Deliberations of the Board of Directors

Directors are called to meetings of the Board of Directors by the Chairman, who may use any method to call the meeting (including verbally).

When the Board of Directors has not met for more than two months, one-third (or more) of the members of the Board of Directors may request that the Chairman convene a meeting with respect to a specified agenda. The Chief Executive Officer, if he or she is not also Chairman of the Board of Directors, may also ask the Chairman of the Board of Directors to convene a meeting with respect to a specified agenda. These requests are binding upon the Chairman of the Board of Directors. If the Chairman takes no action, the members who requested the meeting may call it themselves, indicating the agenda.

Meetings of the Board of Directors take place in the registered office or in any other location specified in the notice of meeting. Certain decisions listed in Article L. 225-37 of the French Commercial Code may be taken by written consultation of the Directors. The Board of Directors shall choose a secretary from amongst its members or from outside them.

These meetings may take place via video conferencing or any means of telecommunication that allows the directors to be identified and that ensures their effective participation in the Board meeting, pursuant to the applicable statutory and regulatory provisions. However, deliberations on the adoption of the decisions referred to in Article L.225-37 paragraph 3 of the French Commercial Code may not take place via video conference or telecommunication.

Deliberations take place under the quorum conditions set out by law. Unless the Board's internal regulations, determined in accordance with these By-laws, require a larger majority, decisions of the Board of Directors shall be adopted based on a majority vote by its present or represented members. In the event of a tie, the Chairman of the applicable meeting does not have a deciding vote.

The deliberations of the Board of Directors are noted in minutes entered in a special register in accordance with the legislation in force or, in accordance with Article R. 225-22 of the French Commercial Code, prepared in electronic form. In this case, they shall be signed using an electronic signature which as a minimum complies with the requirements for an advanced electronic signature set out in Article 26 of Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trusted services for electronic transactions in the internal market.

### 12.4 Powers of the Board of Directors

The Board of Directors has powers and performs its duties pursuant to the conditions laid down in Article L.225-35 of the French Commercial Code, these By-laws and any internal regulations adopted by the Board of Directors.

The internal regulations of the Board of Directors may specify transactions or actions which the Chief Executive Officer and/or Deputy Chief Executive Officers may not carry out on the Company's behalf without the prior approval of the Board of Directors.

### **ARTICLE 13. CHAIRMAN OF THE BOARD OF DIRECTORS**

The Board of Directors shall elect a Chairman from among its members, who must be a natural person. The Board also determines the Chairman's compensation. The Chairman of the Board of Directors is appointed for a duration which may not exceed the term of his or her directorship. The Chairman may be re-elected. The Board of Directors may dismiss the Chairman at any time; any provision to the contrary shall be invalid.

The upper age limit for the Chairman of the Board of Directors is seventy (70) years. When this age limit is reached while still in post, the Chairman of the Board of Directors will be considered to have resigned.

The Chairman of the Board of Directors has the powers prescribed by law and exercises them under the conditions set out in Article L.225-51 of the French Commercial Code.

If the Chairman of the Board of Directors is not also the Chief Executive Officer, the Chief Executive Officer and/or the Deputy Chief Executive Officers shall support the Chairman in obtaining the information useful to the fulfilment of his/her role.

### **ARTICLE 14. GENERAL MANAGEMENT**

#### **14.1 Exercising of General Management**

The General Management of the Company is assumed under the responsibility of either the Chairman of the Board of Directors, or another individual appointed by the Board of Directors, with the title of Chief Executive Officer.

The Board of Directors shall select one of these two options for exercising the General Management; it must notify the shareholders and third parties of its decision pursuant to the applicable regulations.

The decision by the Board of Directors regarding the option for General Management is taken on the basis of a majority vote of Board members present or represented. The Board of Directors sets the duration for the option (which may be open-ended); in any case, the Board's decision on this point shall remain valid until further notice.

#### **14.2 Chief Executive Officer**

When the Chairman of the Board of Directors is responsible for the General Management of the Company, the following provisions (excluding those relating to his/her compensation in the event of dismissal) shall apply.

The upper age limit for the Chief Executive Officer is seventy (70) years. When this age limit is reached while still in post, the Chief Executive Officer will be considered to have resigned.

If the Board of Directors chooses to separate the roles of Chairman of the Board of Directors and Chief Executive Officer, it shall appoint a Chief Executive Officer who is not required to be a director, set the duration of his/her mandate, set his/her compensation and determine any limitations on his or her powers.

The Chief Executive Officer has powers and exercises them pursuant to the conditions set out in Article L.225-56 of the French Commercial Code and these By-laws. The Chief Executive Officer

represents the Company in its relations with third parties, including the conclusion of any contracts when he or she represents one of the parties or is directly a party, as explicitly authorised by Article 1161 paragraph 2 of the French Civil Code, without prejudice to the provisions of these By-laws and the French Commercial Code governing agreements between the Company and its senior executives.

The Chief Executive Officer may be dismissed at any time by the Board of Directors. If the dismissal is decided without just cause, damages may be payable, unless the Chief Executive Officer is also Chairman of the Board of Directors.

#### 14.3 Deputy Chief Executive Officer

On the proposal of the Chief Executive Officer, the Board of Directors may appoint one or more individuals to assist the Chief Executive Officer, known as Deputy Chief Executive Officers. The number of Deputy Chief Executive Officers may not exceed five.

The upper age limit for Deputy Chief Executive Officers is seventy (70) years. When this age limit is reached while still in post, the Deputy Chief Executive Officer concerned will be considered to have resigned.

The Board of Directors sets their compensation, and, in agreement with the Chief Executive Officer, the scope and duration of their powers.

The Deputy Chief Executive Officers shall have the same powers as the Chief Executive Officers vis-a-vis third parties. They are subject to the same obligations as the Chief Executive Officer. The Deputy Chief Executive Officers represent the Company in its relations with third parties, including the conclusion of any contracts when they represent one of the parties or are directly a party, as explicitly authorised by Article 1161 paragraph 2 of the French Civil Code, without prejudice to the provisions of these By-laws and the French Commercial Code governing agreements between the Company and its senior executives.

If the Chief Executive Officer steps down or is prohibited from fulfilling his or her duties, the Deputy Chief Executive Officers shall remain in post and retain their powers until a new Chief Executive Officer is appointed, unless decided otherwise by the Board.

Deputy Chief Executive Officers may be dismissed at any time by the Board of Directors, on the proposal of the Chief Executive Officer. If the dismissal is decided without just cause, damages may be payable.

#### 14.4 Limitations on the powers of the Chief Executive Officer and Deputy Chief Executive Officers

The internal regulations of the Board of Directors specify transactions or actions which the Chief Executive Officer and/or Deputy Chief Executive Officers may not carry out on the Company's behalf without the prior approval of the Board of Directors.

### **ARTICLE 15. COMMITTEES**

The Board of Directors may decide to set up committees whose structure and powers it shall determine. These committees shall operate under the Board's responsibility, although the powers granted to committees shall not result in powers allocated to the Board of Directors pursuant to the law, these By-laws and any internal regulations adopted by the Board of Directors being assigned to a committee, or have the effect of reducing or limiting the powers of the Chairman, Chief Executive Officer or Deputy Chief Executive Officers.

## **ARTICLE 16. COMPENSATION - PROHIBITIONS - LIABILITY**

16.1 Members of the Board of Directors may receive an annual fixed amount of compensation for their activity, the overall amount of which is determined by the Shareholders' Meeting and remains effective until the Shareholders' Meeting determines otherwise.

The Board may allocate these fees in a manner that it deems appropriate. It may notably allocate a larger share to directors who are also members of the committees referred to in Article 15 above.

16.2 Directors shall not, in respect of their terms of office and management, agree any obligations or responsibilities other than those provided for in current legislation.

## **ARTICLE 17. NON-VOTING MEMBERS**

17.1 The Shareholders' meeting may appoint non-voting directors (natural persons or legal entities) to assist the Board of Directors. The Board of Directors may also appoint non-voting members, provided that its choice is approved by the following Shareholders' meeting. Non-voting directors may be, but are not required to be, shareholders, and no more than three may be appointed.

17.2 Non-voting members are appointed for up to four (4) years. Their mandates shall come to an end after the close of the Ordinary Shareholders' Meeting called to approve the financial statements for the past financial year and held in the year during which the mandate of the non-voting member concerned expires. The Shareholders' meeting may dismiss non-voting members at any time. Non-voting members may be re-elected.

17.3 The upper age limit for non-voting members is seventy (70) years old. All non-voting members who reach this age are considered as having resigned.

17.4 Non-voting directors are invited to all meetings of the Board of Directors, under the same conditions and in the same way as members of the Board of Directors; they may take part in the deliberations, but only in an advisory capacity. Non-voting members may share their observations during meetings of the Board of Directors. They may not take the place of members of the Board of Directors, and may only give opinions.

17.5 The Board of Directors may allocate specific duties to non-voting members.

17.6 The Board of Directors sets their compensation and may decide to transfer to the non-voting members a share of the directors' fees allocated to it by the Shareholders' meeting, and authorise the repayment of expenses incurred by non-voting members in the Company's interest.

## **IV. CONTROL OF THE COMPANY**

### **ARTICLE 18. AUDITING OF THE FINANCIAL STATEMENTS**

The audit of the Company is carried out by one or more principal and/or alternate Statutory Auditors, appointed and carrying out their audit assignment in accordance with the law. "

## **V. SHAREHOLDERS' MEETINGS**

### **ARTICLE 19. RIGHT OF ACCESS-REPRESENTATION**

19.1 All shareholders are entitled to attend the Meetings in person or by proxy, provided that their identity and shareholder status have been proven, in the manner and place indicated in the meeting notice, in accordance with the terms and conditions provided for in law.

19.2 Any shareholder may be represented or vote by mail, in accordance with the terms and conditions provided for in law.

19.3 Furthermore, the Board of Directors may decide, in its meeting notice, to allow shareholders to participate and vote in Shareholder's meetings by video conference or any other means of telecommunication, including online, provided that the means of communication permits the identification of the shareholder in question in accordance with the terms and conditions set out by applicable law and regulations. This decision shall be stated in the meeting notice published in the French bulletin of obligatory legal notices (BALO).

Shareholders who, for this purpose and within the specified time frame, use the electronic voting form provided on the website set up by the Meeting's centralising agent, are treated in the same way as shareholders present or represented. The electronic form may be completed and signed on this site using a log-in code and password, in accordance with the first sentence of the second paragraph of Article 1367 of the French Civil Code.

Proxy votes and electronic votes cast in this way prior to the Meeting, as well as the resulting proof of receipt, shall be considered as irrevocable and enforceable documents, it being specified that if ownership of the securities is transferred prior to the date set by applicable legislation, the Company will invalidate or modify accordingly, as applicable, the proxy or electronic vote cast prior to this date and time.

#### **ARTICLE 20. NOTICES**

Meetings shall be convened by the Board of Directors under the conditions and within the time frames set out by law. Meetings are held either at the registered office, or another location stated in the meeting notice.

#### **ARTICLE 21. OFFICE**

The Shareholders' meeting is chaired by the Chairman of the Board of Directors or, in his or her absence, by a director appointed by the Board.

Two shareholders present who hold, both personally and as proxies, the highest number of votes, and who agree to this, shall be selected as scrutineers.

The office shall appoint the secretary, who may be selected from outside the Meeting members.

#### **ARTICLE 22. MEETINGS**

Ordinary and Extraordinary Shareholders' Meetings held under the quorum and majority conditions prescribed by law exercise the powers granted to them under law.

#### **ARTICLE 23. SPECIAL SHAREHOLDERS' MEETING**

23.1. C and D Shareholders are consulted under the conditions stipulated under Articles 19 to 22 (applicable mutatis mutandis to the Special C Shareholders' meeting and the Special D Shareholders' meeting) on issues that fall specifically within their competence under the law.

23.2. Only C Shareholders or D Shareholders entered in the Company accounts may attend these Special Shareholders' meetings and take part in the vote.

23.3. The Special C Shareholders' meeting and Special D Shareholder's meeting exercise their powers in accordance with the conditions set out in the applicable regulations.

23.4. Company decisions taken by a General Shareholders' meeting only become final (i) following the approval of the Special C Shareholders' meeting where these modify rights relating to C Shares, and (ii) following the approval of the Special D Shareholders' meeting where these modify rights relating to D Shares.

## **VI. APPROPRIATION OF INCOME**

### **ARTICLE 24. APPROPRIATION OF INCOME**

24.1 The profit or loss from the financial year is the difference between the income and expenses for the financial year, after deduction of depreciation, amortisation and provisions, as shown in the income statement:

24.2 No less than 5% of the profits for the year, adjusted for any prior year losses, are allocated to a legal reserve fund. This allocation is no longer required once the legal reserve reaches one-tenth of the share capital. The obligation will apply once more if, for any reason, the legal reserve falls below such fraction of the share capital.

The balance, plus any retained earnings, form the distributable profit.

24.3 The Ordinary Shareholders' Meeting, on the proposal of the Board of Directors, may decide for all or some of this distributable profit to be carried forward or allocated to one or more general or special reserve funds.

### **ARTICLE 25. DIVIDEND PAYMENTS**

After approval of the annual financial statements and acknowledgement of the availability of distributable amounts, the Shareholders' Meeting determines the portion to be allocated to Shareholders in the form of dividends.

In addition to allocating distributable profit, the Shareholders' Meeting may decide to distribute amounts drawn from available reserves by expressly indicating the specific reserves from which those amounts are to be drawn. However, dividends must first be paid out of the distributable profits for the financial year.

The Shareholders' Meeting called to approve the annual financial statements may grant an option to the Shareholders to receive all or part of their dividends or interim dividends in cash or shares.

The Board of Directors may, subject to applicable legal or regulatory provisions, distribute interim dividends in cash or in shares, including during a financial year. In addition, the Shareholders' Meeting may decide, for some or all dividends, interim dividends, reserves or premiums or, for any capital decrease, that the distribution of these dividends, reserves or premiums or such capital decrease will be carried out in kind by delivery of assets or securities from the Company's portfolio.

Any Shareholder (i) other than a natural person directly or indirectly holding at least 10% of the capital or dividend rights of the Company or (ii) indirectly holding, through the Company, a percentage of the share capital or dividend rights of listed property investment companies in Spain (the "SOCIMIs") at least equal to that referred to in Article 9.3 of Spanish Law 11/2009, of 26 October 2009 (the "11/2009 Law") or through any other legislation applicable to SOCIMIs at any time, of which the mission or that of its partners makes:

- a) the Company liable to a levy (the "Levy") pursuant to Article 208 C II ter of the French General Tax Code; or <sup>[11]</sup><sub>[SEP]</sub>
- b) the SOCOMIs, whose share capital is directly or indirectly held by the Company, liable to a

Spanish levy (the “**Spanish Levy**”) pursuant to Article 9.3 of the 11/2009 Law.

<sup>[L]</sup><sub>[SEP]</sub>(a “**Shareholder Subject to Levy**”) will owe the Company the amount of the Levy and/or Spanish Levy due as a consequence of the distribution by the Company or the SOCIMI in question, of which the share capital is directly or indirectly held by the Company, of dividends, retained earnings, premiums or “deemed distributed income” within the meaning of the French General Tax Code or Spanish Law 27/2014 of 27 November 2014, on corporate income tax (a “**Distribution**”) (the “**Liability**”).

<sup>[L]</sup><sub>[SEP]</sub>If there is more than one Shareholder Subject to Levy, each Shareholder Subject to Levy shall owe the Company the portion of the Levy due by the Company or the SOCIMI in question that its direct or indirect shareholding will have generated. <sup>[L]</sup><sub>[SEP]</sub>

The status of Shareholder Subject to Levy is assessed on the date of payment of the Distribution. <sup>[L]</sup><sub>[SEP]</sub>

Any Shareholder directly or indirectly holding at least 5% of the share capital or dividend rights of the Company is deemed to be a Shareholder Subject to Levy. If the Shareholder states that it is not a Shareholder Subject to Levy, it must (i) justify it to the Company by providing: <sup>[L]</sup><sub>[SEP]</sub>

- a) for the purposes of the Levy, no later than ten (10) business days before the payment of the distributions, a satisfactory and unqualified legal opinion from a law firm of international repute with recognised expertise in French tax law, certifying that it is not a Shareholder Subject to Levy and that the distributions made to it do not render the Company liable for the Levy;
- b) for the purposes of the Spanish Levy, no later than ten (10) business days before the payment of distributions by the SOCIMIs of which the capital is directly or indirectly held by the Company, a certificate of tax residence issued by the competent authority of the country in which the Shareholder declares it is resident and, no later than ten (10) business days before the payment of the distributions, a satisfactory and unqualified notice certifying that it is not a Shareholder Subject to Spanish Levy and that the distributions paid by the SOCIMIs, of which the capital is directly or indirectly held by the Company, do not give rise to payment of the Spanish Levy due to their shareholding in the Company,

and (ii) send to the Company the tax return in which the distribution will have been included within ten (10) days following the deadline for filing the said return with the relevant tax authorities or any other more relevant document. If these items are not satisfactory, the Shareholder in question will be deemed, and if need be retroactively, to be a Shareholder Subject to Levy.

It is specified that any justification thus produced may not exonerate the Shareholder in question from full responsibility for its statements, certifying that it is not a Shareholder Subject to Levy and that the distributions paid to it do not render the Company or the SOCIMI in question liable for the Levy.

Any Shareholder must notify the Company, as soon as possible, and in any event ten (10) business days before the payment of distributions, of any change in its tax status which could make it acquire or lose the status of Shareholder Subject to Levy.

If (i) the Company were to hold, directly and/or indirectly, a percentage of the share capital or dividend rights at least equal to that referred to in Article 208 C II ter of the French General Tax Code of one or more listed real estate investment companies referred to in Article 208 C of the French General Tax Code (a “SIIC Subsidiary”) or (ii) the Company were to hold, directly or indirectly, a percentage of the share capital or dividend rights at least equal to that referred to in Article 9.3 of Law 11/2009 of one or more SOCIMI companies; and, where the SIIC Subsidiary or said SOCIMI, due to the position of the Shareholder Subject to Levy, had paid or should pay the Levy or the Spanish Levy, the Shareholder Subject to Levy will owe the Company, as the case may be, either the amount paid by

the Company to the SIIC Subsidiary or to the SOCIMI in question with respect to the payment of the Levy by the SIIC Subsidiary or the Spanish Levy by the SOCIMI or, in the absence of any payment to the SIIC Subsidiary or to the SOCIMI by the Company, an amount equal to the Levy paid or owed by the SIIC Subsidiary or to the Spanish Levy paid by the SOCIMI in question, multiplied by the percentage of the Company's share capital or dividend rights in the SIIC Subsidiary or the SOCIMI in question, in such a way that the other Shareholders of the Company do not economically bear any part whatsoever of the Levy or the Spanish Levy paid or due by any of the SIICs or the SOCIMIs in the shareholding chain due to the Shareholder Subject to Levy ("Additional Liability"). The amount of the Additional Liability shall be borne by each of the Shareholders Subject to Levy in proportion to their respective capital or dividend rights divided by the total capital or dividend rights held by Shareholders Subject to Levy.

The Company shall be entitled to offset its claim against any Shareholder Subject to Levy on the one hand, and the amounts to be paid by the Company for its benefit, on the other.

If a Shareholder Subject to Levy opts for payment of its dividend in shares, the latter will receive one part in Shares, it being specified that no fractional shares will be created, and the other part in cash (the latter fraction being paid to an individual current account), so that the offset mechanism described above may be applied to the fraction of the distribution paid to an individual current account.

In the event that, following a Distribution by the Company, a SIIC Subsidiary or a SOCIMI of which the share capital is directly or indirectly held by the Company, within the meaning of Spanish Law 27/2014 of 27 November 2014 on corporate income tax, a Shareholder is found to be a Shareholder Subject to Levy on the payment date of the Distribution, and where the Company, the SIIC Subsidiary or said SOCIMI should have paid the Levy or the Spanish Levy in respect of the Distribution thus paid to this Shareholder, without said sums having been subject to the aforementioned offset mechanism, this Shareholder Subject to Levy will be required to pay to the Company not only the Liability and/or the Additional Liability but also an amount equal to the penalties and late payment interest, if any, owed by the Company, the SIIC Subsidiary or said SOCIMI as a consequence of the late payment of the Levy or the Spanish Levy. The amount of any Liability or Additional Liability or any other sum due from a Shareholder Subject to Levy under this Article shall be calculated in such a way that the Company shall be placed, after payment thereof and having regard to the taxation that may be applicable to it, in the same position as if the Levy or the Spanish Levy had not been payable.

## **VII. WINDING-UP – LIQUIDATION**

### **ARTICLE 26.**

At the end of the Company's duration, or in the event of early winding-up, the Shareholders' meeting shall decide on the mode of liquidation and appoint one or more liquidators whose powers it shall determine and who shall fulfil their role in accordance with the law.

The proceeds of the liquidation shall first be used to offset the liabilities. After this payment and payment of liquidation fees, the remainder shall be used to repay the nominal value of the shares; the balance will be split between the shareholders in the same proportions as their ownership of the share capital.

## **VIII. DISPUTES**

### **ARTICLE 27.**

Any disputes which may arise in the course of the Company's duration or its liquidation, either between the shareholders and the Company, or among the shareholders themselves, concerning the

construction or performance of these By-laws or regarding more general corporate affairs, shall be brought before the appropriate courts.