



REPORT BY THE BOARD OF DIRECTORS OF **COMPAÑÍA LOGÍSTICA DE HIDROCARBUROS CLH, S.A.**, PURSUANT TO THE TERMS OF SECTION 286 OF THE SPANISH COMPANIES ACT, IN RELATION TO THE PROPOSED AMENDMENT OF THE ARTICLES OF ASSOCIATION INCLUDED IN THE AGENDA OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING ANNOUNCED FOR 5 AND 6 MAY 2022 AT FIRST AND SECOND CALL, RESPECTIVELY

1. PURPOSE OF THIS REPORT

Items Five and Six on the Agenda of the Ordinary General Shareholders' Meeting of Compañía Logística de Hidrocarburos CLH, S.A. (hereinafter, "CLH" or the "Company"), called to be held on 5 May 2022 at first call and 6 May 2022 at second call, contain a proposed amendment of the following articles of the Company's Articles of Association:

- (i) Article 1. Corporate name (item five on the agenda)
- (ii) Article 14. Announcement of the call (item six on the agenda)
- (iii) Article 18. Place and time of holding the Meeting. Adjournment of the sessions (item six on the agenda)

In order to submit each of these proposals for approval by the General Shareholders' Meeting, pursuant to the terms of section 286 of the Spanish Companies Act currently in force and related provisions of the Companies Registry Regulations, the Board of Directors must, by law, prepare a written report offering justification for each of the proposals.

This report, along with the full text of each of the proposed amendments, must be made available to the shareholders in the manner provided for in said provision of the law.

This report has been prepared for the purposes of compliance with said legal requirement.

Furthermore, in order to facilitate the voting rights of the Company's shareholders, the proposed amendments of the articles of association shall be grouped into two blocks when submitted to the General Shareholders' Meeting for approval, to be voted on separately, in accordance with section 197 bis 2 b) of the Spanish Companies Act:

- a) Item five on the agenda: amendment of article 1 of the Articles of Association with the aim of modifying the company name.



- b) Item six on the agenda: amendment of articles 14 and 18 of the Articles of Association with the aim of allowing the use of electronic means for holding and attending General Meetings.

2. REASONS FOR PROPOSING THE AMENDMENT OF ARTICLE 1 OF THE ARTICLES OF ASSOCIATION IN RELATION TO THE COMPANY NAME.

2.1. Reasons for proposing the amendment of article 1 of the Articles of Association in relation to the company name

The aim of the proposed amendment of article 1 of the Articles of Association is to change the company name from the current name of “Compañía Logística de Hidrocarburos CLH, S.A.” to “Exolum Corporation, S.A.”.

The amendment proposed herein is based on the Company’s current strategy of encompassing within the “Exolum” name the corporate identity and brand with which the Company and the entire Group is identified on the international stage in which it operates.

Within the framework of said strategy, the Company’s Board of Directors intends to transfer the current corporate website (i.e., www.clh.es) to www.exolum.com, in the exercise of its powers as per section 11 bis 2 of the Spanish Companies Act.

Therefore, the Board of Directors has prepared this proposed amendment to the Articles of Association, which affects article 1 regarding the company name, proposing that said article be reworded as stated in section 2.2 herein below.

2.2. Full text of the proposed amendment of article 1 of the Articles of Association

If approved by the General Shareholders’ Meeting, the proposed amendment of the Articles of Association will entail amending article 1 of the Articles of Association so that it shall henceforth read as follows:



“Article 1. Corporate name

The corporate name of the Company is “EXOLUM CORPORATION, S.A.”.”

3. REASONS FOR PROPOSING THE AMENDMENT OF ARTICLES 14 AND 18 OF THE ARTICLES OF ASSOCIATION IN RELATION TO THE POSSIBILITY OF HOLDING THE GENERAL MEETING BY ELECTRONIC MEANS.

3.1. Reasons for proposing the amendment of articles 14 and 18 of the Articles of Association in relation to the announcement of the call and to the place and time the general meeting is held and adjournment of the sessions, respectively

The aim of the proposed amendment of articles 14 and 18 of the Articles of Association is to complete the system set out therein for calling and holding General Shareholders’ Meetings in order to allow shareholders to attend General Meetings by electronic means or even to hold such meetings exclusively by electronic means, provided that the Board of Directors, as of the date on which the meeting is announced, deems there to be suitable channels for properly guaranteeing that the shareholders (or their representatives, where applicable) can be identified and their rights properly exercised, and for ensuring real-time interaction and adequate meeting progress after assessing the technical means, legal framework and suitability for using said electronic means.

At present, the Company’s Articles of Association do not allow General Meetings to be held exclusively by electronic means, nor is meeting attendance by such means allowed. As such, these regulations have now been rendered obsolete, particularly in light of unforeseeable situations such as that experienced the past two years as a result of the virus causing SARS-CoV-2, where the restrictions imposed by public authorities have, in many cases, made it impossible for company bodies to meet in general.

Furthermore - with a view to promoting the long-term involvement of shareholders of listed companies - the latest amendments to the Spanish Companies Act implemented under Act 5/2021, of 12 April, amending the consolidated text of the Spanish Companies Act passed under Royal Legislative Decree 1/2010, of 2 July, and other financial regulations, are aimed precisely at enabling articles of association to allow general meetings to be called that are not physically attended by the partners/shareholders or their representatives, i.e. they are to take place solely using electronic channels. To include this option, the changes to the articles of association must be approved by a majority of at least two thirds of the capital present and represented at the meeting. However, the new regulations are clear in making the possibility of holding general meetings in this way



conditional on the electronic means used, so that if it is not possible to verify the identity and legal standing of the partners/shareholders and their representatives, and to ensure the effective participation of all meeting attendees through the use of appropriate remote communication methods and the real-time exercise of their rights as stipulated in the regulations, the management body cannot call general meetings to be held exclusively by electronic means.

Regarding this matter, the proposed wording of article 14 (specifically, the new paragraph 7) of the Articles of Association emphasises this requirement by explicitly stating that the Board of Directors may only allow shareholders to attend general meetings by electronic means or call meetings to be held exclusively by electronic means if the identity of the shareholders is properly verified, their rights can be correctly exercised, and real-time interaction and adequate meeting progress can be guaranteed, such that the shareholders' rights are in no way infringed upon as a result of the use of electronic means for holding General Meetings.

In addition, the Board of Directors also believe that expanding the means by which shareholders may attend the Company's General Meetings and exercise their rights will also benefit them and give the Company more flexibility to decide how to conduct the General Meeting in light of relevant circumstances at any given time, thus improving the functioning of the General Meeting itself.

To sum up, should the General Meeting approve the amendments to the Articles of Association proposed in this paragraph, the General Meeting can, in future, depending on the technical means, legal framework and suitability of using said electronic channels, be held in any of the following formats:

- (i) exclusively in person;
- (ii) in hybrid format, i.e. in person with the possibility of attending by electronic means; or
- (iii) exclusively by electronic means.

Therefore, the Board of Directors has prepared this proposed amendment to the Articles of Association, which affects articles 14 and 18 regarding the announcement of the call to General Meetings and the place, time and manner of holding the General Meeting and adjournment of the sessions, respectively, proposing that said articles be reworded as stated in section 3.2 herein below.

3.2. Full text of the proposed amendments to articles 14 and 18 of the Articles of Association

If approved by the General Shareholders' Meeting, the proposed amendments of the Articles of Association will entail amending articles 14 and 18 of the Articles of Association so that they shall henceforth read as follows:

" Article 14. Announcement of the call

1. The General Meeting must be called, with the legally established minimum notice in advance of the date set for the meeting, by means of an announcement published on the company's website, without prejudice to circulation of the announcement of the call by any other means that may be required by law or which the Board of Directors considers appropriate for giving greater publicity to the notice of meeting. The announcement calling the General Meeting and the documentation made available to the shareholders together with it shall be accessible on the company's website at least until the date when the Meeting is held.
2. The announcements must contain the information required by law and shall, in all cases, state the name of the company, the date, place and time of the meeting at first call, the agenda, which shall contain all the matters to be discussed and, where appropriate, whether the Meeting shall be held exclusively by electronic means or if attendance by such means is allowed, when the meeting is to be held in person. Likewise, it may indicate the date and time at which, if applicable, the Meeting shall be held at second call. At least twenty-four hours must elapse between the first and second meeting.
3. From the time at which the General Meeting is called, shareholders who represent at least 5% of the share capital may request the publication of a supplement to the notice of meeting, including additional items on the agenda. This right must be exercised by sending a notice by certifiable means to the registered office within five days following publication of the call. The supplement to the call must be published at least fifteen days before the date set for the General Meeting at first call and using the same means through which the initial call was announced.
4. In the case of the Ordinary General Meeting and in any other cases stipulated by law, the announcement shall also indicate the procedure regarding the right to examine at the registered office and/or to obtain, immediately and free of charge, the documents that are to be submitted for approval by the Meeting and, as the case may be, the legally



envisaged report or reports. The announcement calling the General Meeting and the documentation made available to the shareholders together with it shall be accessible on the company's website at least until the date when the Meeting is held.

5. The call announcement shall be signed by the person authorised to certify the resolutions of the Board of Directors.
6. Whenever a General Meeting is called, the Board of Directors shall assess whether there are any remote means of communication that enable shareholders to cast and/or delegate their vote that duly guarantee the identity of the person exercising their right to vote or, in case of delegation, the identities of the representative and the person represented, and whether the use of such means is feasible. If the Board is aware of the existence of such means, and it is possible to use them, the call to the meeting must include a reference to the specific means of remote communication that shareholders may use to cast or delegate their vote, as well as the instructions they must necessarily follow in order to do so.
7. Furthermore, when each General Meeting is called, the Board of Directors may contemplate the possibility of arranging for attendance by electronic means or even the possibility of holding the General Meeting exclusively by such means, provided that the identity of the shareholders or their representatives, as appropriate, can be duly verified, that they can correctly exercise their rights and that real-time interaction and adequate meeting progress are ensured. In this regard, when the General Meeting can be attended by electronic means, the call to the meeting must indicate the deadlines, manners and means of exercising the shareholders' rights so that the Meeting takes place in an appropriate manner. In turn, when the Board of Directors decides to call the General Meeting to be held exclusively by electronic means, the call announcement must inform the shareholders of the processes and procedures to be followed in order to register and compile the attendance list, so that the shareholders can exercise their rights and so that the Meeting minutes accurately reflect the course of the Meeting."

" Article 18. Place, time and manner of holding the Meeting. Adjournment of the sessions

1. The General Meeting shall be held at the location where the Company has its registered office. The General Meeting shall also be considered to be held at the registered office when it is held exclusively by electronic means.



2. The General Shareholders' Meeting may be held in the following formats: (i) the shareholders attending solely in person; (ii) in person and also with the possibility of attending electronically or; (iii) when recommended and feasible, exclusively by electronic means.

3. If necessary, the General Meeting may resolve to suspend the session underway and to re-commence or adjourn it, for one or several consecutive days, before continuing it. The resolution of suspension and adjournment or continuation shall be adopted by the Meeting at the proposal of the directors or seconded by a number of shareholders representing at least one fourth of the share capital. However many sessions of the Meeting are held, it shall be considered as a single Meeting, and just one set of Minutes shall be drawn up for all the sessions."

For all relevant legal purposes, the Company's Board of Directors hereby issues this report in Madrid on 3 March 2022.

ANNEX

To facilitate the comparison between the current wording and the proposed new wording of the articles of the articles of association to be amended, a literal transcription of the two texts is shown in two columns below, with the proposed changes to the current wording identified in the column with the heading “proposed wording”, merely for informative purposes.

| <i>CURRENT WORDING</i> | <i>PROPOSED WORDING</i> |
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| <u>Article</u> | <u>Article</u> |
| Article 1. Corporate name | Article 1. Corporate name |
| The corporate name of the company is "COMPAÑIA LOGISTICA DE HIDROCARBUROS CLH, S.A." | The corporate name of the Company is "EXOLUM CORPORATION, S.A." |
| Article 14. Announcement of the call | Article 14. Announcement of the call |
| 1. The General Meeting must be called, with the legally established minimum notice in advance of the date set for the meeting, by means of an announcement published on the company's website, without prejudice to circulation of the announcement of the call by any other means that may be required by law or which the Board of Directors considers appropriate for giving greater publicity to the notice of meeting. The announcement calling the General Meeting and the documentation made available to the shareholders together with it shall be accessible on the company's website at least until the date when the Meeting is held. | 1. The General Meeting must be called, with the legally established minimum notice in advance of the date set for the meeting, by means of an announcement published on the company's website, without prejudice to circulation of the announcement of the call by any other means that may be required by law or which the Board of Directors considers appropriate for giving greater publicity to the notice of meeting. The announcement calling the General Meeting and the documentation made available to the shareholders together with it shall be accessible on the company's website at least until the date when the Meeting is held. |

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| <p>2. The announcements must contain the information required by law and shall, in all cases, state the name of the company, the date, place and time of the meeting at first call and the agenda which shall contain all the matters to be discussed. Likewise, it may indicate the date and time at which, if applicable, the Meeting shall be held at second call. At least twenty-four hours must elapse between the first and second meeting.</p> | <p>2. The announcements must contain the information required by law and shall, in all cases, state the name of the company, the date, place and time of the meeting at first call, the agenda, which shall contain all the matters to be discussed and, where appropriate, whether the Meeting shall be held exclusively by electronic means or if attendance by such means is allowed, when the meeting is to be held <u>in person</u>. Likewise, it may indicate the date and time at which, if applicable, the Meeting shall be held at second call. At least twenty-four hours must elapse between the first and second meeting.</p> |
| <p>3. From the time at which the General Meeting is called, shareholders who represent at least 5% of the share capital may request the publication of a supplement to the notice of meeting, including additional items on the agenda. This right must be exercised by sending a notice by certifiable means to the registered office within five days following publication of the call. The supplement to the call must be published at least fifteen days before the date set for the General Meeting at first call and using the same means through which the initial call was announced.</p> | <p>3. From the time at which the General Meeting is called, shareholders who represent at least 5% of the share capital may request the publication of a supplement to the notice of meeting, including additional items on the agenda. This right must be exercised by sending a notice by certifiable means to the registered office within five days following publication of the call. The supplement to the call must be published at least fifteen days before the date set for the General Meeting at first call and using the same means through which the initial call was announced.</p> |

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| <p>4. In the case of the Ordinary General Meeting and in any other cases stipulated by law, the announcement shall also indicate the procedure regarding the right to examine at the registered office and/or to obtain, immediately and free of charge, the documents that are to be submitted for approval by the Meeting and, as the case may be, the legally envisaged report or reports. The announcement calling the General Meeting and the documentation made available to the shareholders together with it shall be accessible on the company's website at least until the date when the Meeting is held.</p> | <p>4. In the case of the Ordinary General Meeting and in any other cases stipulated by law, the announcement shall also indicate the procedure regarding the right to examine at the registered office and/or to obtain, immediately and free of charge, the documents that are to be submitted for approval by the Meeting and, as the case may be, the legally envisaged report or reports. The announcement calling the General Meeting and the documentation made available to the shareholders together with it shall be accessible on the company's website at least until the date when the Meeting is held.</p> |
| <p>5. The call announcement shall be signed by the person authorised to certify the resolutions of the Board of Directors.</p> | <p>5. The call announcement shall be signed by the person authorised to certify the resolutions of the Board of Directors.</p> |
| <p>6. Whenever a General Meeting is called, the Board of Directors shall assess whether there are any remote means of communication that enable shareholders to cast and/or delegate their vote that duly guarantee the identity of the person exercising their right to vote or, in case of delegation, the identities of the representative and the person represented, and whether the use of such means is feasible. If the Board is aware of the existence of such means, and it is possible to use</p> | <p>6. Whenever a General Meeting is called, the Board of Directors shall assess whether there are any remote means of communication that enable shareholders to cast and/or delegate their vote that duly guarantee the identity of the person exercising their right to vote or, in case of delegation, the identities of the representative and the person represented, and whether the use of such means is feasible. If the Board is aware of the existence of such means, and it is possible to use</p> |

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| <p>them, the call to the meeting must include a reference to the specific means of remote communication that shareholders may use to cast or delegate their vote, as well as the instructions they must necessarily follow in order to do so.</p> | <p>them, the call to the meeting must include a reference to the specific means of remote communication that shareholders may use to cast or delegate their vote, as well as the instructions they must necessarily follow in order to do so.</p> |
| | <p>7. Furthermore, when each General Meeting is called, the Board of Directors may contemplate the possibility of arranging for attendance by electronic means or even the possibility of holding the General Meeting exclusively by such means, provided that the identity of the shareholders or their representatives, as appropriate, can be duly verified, that they can correctly exercise their rights and that real-time interaction and adequate meeting progress are ensured. In this regard, when the General Meeting can be attended by electronic means, the call to the meeting must indicate the deadlines, manners and means of exercising the shareholders' rights so that the Meeting takes place in an appropriate manner. In turn, when the Board of Directors decides to call the General Meeting to be held exclusively by electronic means, the call announcement must inform the shareholders of the processes and procedures to be followed in order to register and compile the attendance list, so that the shareholders can exercise their</p> |

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| | rights and so that the Meeting minutes accurately reflect the course of the Meeting |
| Article 18. Place and time of holding the Meeting. Adjournment of the sessions | Article 18. Place, time and manner of holding the Meeting. Adjournment of the sessions |
| 1. The General Meeting shall be held at the location where the Company has its registered office. | 1. The General Meeting shall be held at the location where the Company has its registered office. The General Meeting shall also be considered to be held at the registered office when it is held exclusively by electronic means. |
| 2. If necessary, the General Meeting may resolve to suspend the session underway and to re-commence or adjourn it, for one or several consecutive days, before continuing it. The resolution of suspension and adjournment or continuation shall be adopted by the Meeting at the proposal of the directors or seconded by a number of shareholders representing at least one fourth of the share capital. However many sessions of the Meeting are held, it shall be considered as a single Meeting, and just one set of Minutes shall be drawn up for all the sessions. | 2. The General Shareholders' Meeting may be held in the following formats: (i) the shareholders attending solely in person; (ii) in person and also with the possibility of attending electronically or; (iii) when recommended and feasible, exclusively by electronic means. |
| | 3. If necessary, the General Meeting may resolve to suspend the session underway and to re-commence or adjourn it, for one or several consecutive days, before continuing |

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| | <p>it. The resolution of suspension and adjournment or continuation shall be adopted by the Meeting at the proposal of the directors or seconded by a number of shareholders representing at least one fourth of the share capital. However many sessions of the Meeting are held, it shall be considered as a single Meeting, and just one set of Minutes shall be drawn up for all the sessions.</p> |
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