

Auditing and Compliance Committee Performance Report 2024

January 2025

This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.

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1 Introduction

In accordance with the provisions of Article 16.8 of the Board of Directors Regulations (the “**Board of Directors Regulations**”) and Technical Guide 1/2024 on Auditing Committees at public interest companies published by the National Securities Market Commission (“**CNMV**”), this document includes a Report on the annual performance of the Auditing and Compliance Committee (“**ACC**” or “**the Committee**”) during the 2024 financial year (the “**Report**”), offering an account of the activities engaged in by the Committee over that period.

This Report was approved by the ACC at a meeting held on 28 January 2025.

2 Composition, appointment and profile of the Committee’s members

In accordance with the Board of Directors Regulations and the Company Bylaws, the ACC exclusively comprises non-executive directors, the majority of whom are independent.

Its qualitative composition complies with the contents of Recommendation 39 of the Code of Good Governance for Listed Companies (“**CGGLC**”), its members (and particularly its Chair) being chosen on the basis of their experience and know-how in the areas of accounting, auditing and the management of risk, both financial and non-financial.

The Chair of the ACC shall be appointed from among the independent directors who sit on the Committee, and he or she must be replaced every four years, though they may be re-elected once a year has elapsed following the end of their previous term. The Secretary or Deputy Secretary to the Board of Directors acts as the Committee’s Secretary, as provided for in Article 16.4 of the Board of Directors Regulations.

When appointing the members of the Committee, the Board of Directors will promote a balance between men and women, in addition to diversity in respect of qualities such as professional experience, skills, personal abilities and knowledge of the sector.

The changes made to the Committee’s membership during the 2024 financial year are detailed below:

Pursuant to the contents of Article 16 of the Board of Directors Regulations on the rotation of board members among the various Committees, at a meeting held on 28 October 2024 the Board of Directors unanimously agreed, prior a favourable report from the Appointments, Remuneration and Corporate Governance Committee (**ARCGC**), to reorganise the ACC (among others) and to increase the maximum number of its members, appointing Mr Javier Escribano and Ms Ángeles Santamaría as members of said Committee.

As a result of the foregoing resolutions, as of 31 December 2024 the Committee comprised the following members:

Name	Position	Type of board member	Date of first appointment as member of the Committee
Virginia Arce	Chairwoman	Independent	28 October 2022 ⁽ⁱ⁾
Belén Amatriain	Member	Independent	28 October 2022
Coloma Armero	Member	Independent	28 October 2022
Javier Escribano Ruiz	Member	Proprietary ⁽ⁱⁱ⁾	28 October 2024
Juan Moscoso del Prado	Member	Proprietary ⁽ⁱⁱⁱ⁾	28 October 2022
Ángeles Santamaría	Member	Independent	28 October 2024
Miguel Sebastián	Member	Proprietary ⁽ⁱⁱⁱ⁾	31 January 2019

(i) Appointed Chairwoman of the Committee on the same day

(ii) Appointed at the proposal of Escribano Mechanical & Engineering

(iii) Appointed at the proposal of SEPI

Information on the know-how and experience of the Committee members in their respective areas of expertise is included in their professional profiles, which can be found on the Company website (www.indracompany.com).

3 Powers and responsibilities

In accordance with the contents of Article 31 of the Company Bylaws, the Board of Directors Regulations establish the rules relating to the ACC's powers and duties.

In addition to the duties established in law, Article 18 of the Board of Directors Regulations establishes that the ACC is responsible for the following:

1. Regarding the internal control and monitoring systems:

a) Monitoring and evaluating the preparation and reporting of the Company's financial and non-financial information, including annual reports that are a part of the Management Report and its systems for the monitoring and management of financial and non-financial risk (including operational, technological, legal, social, environmental, political and reputational risk and risk relating to corruption), checking compliance with the requirements set out in law, the accurate demarcation of the scope of consolidation, and the correct application of accounting principles, as well as submitting the relevant report to the Board where applicable.

b) Overseeing the composition, powers and performance of the internal auditing, risk monitoring and management and compliance departments, and to that end: i) ensuring their independence; ii) proposing, or approving in the case of the compliance department, the election, appointment, payment and dismissal of the people respectively in charge of those areas; iii) approving their budgets and the direction of the annual working plan, and overseeing their implementation; iv) receiving regular information on their activities and, in particular, any potential incidents or restrictions on the scope set out in the

development of the annual working plan; and v) verifying that senior management takes account of the conclusions and recommendations contained in their reports.

With regard to the internal audit area, the Committee will ensure that its activity is mainly focused on relevant risks, including reputational risks.

c) Establishing and supervising the operation of a means by which employees and other Company stakeholders such as Directors, shareholders, suppliers, contractors or subcontractors may communicate confidentially and, when appropriate, anonymously, potentially significant irregularities, including financial and accounting irregularities, related to the Company or its group, and that respects the rights of the complainant and the accused.

d) Ensuring that established internal control policies and systems are implemented effectively.

2. With regard to the external auditor and the verifier of sustainability information:

a) Submitting to the Board of Directors proposals for selection, appointment, re-election and removal of the External Auditors and the verifier of sustainability information, while striving to, in the first case, maintain one same audit firm for all companies of the Group, taking responsibility for the selection process of both, as well as the conditions of their engagement and the scope of their professional mandate, in accordance with the relevant legislation. The Sustainability Committee shall be consulted for the process of selection, appointment, reappointment and replacement of the verifier of sustainability information.

b) Ensuring that the accounts which the Board of Directors submits to the General Shareholders' Meeting are drawn up in accordance with accounting and sustainability regulations, and that the audit and verification reports do not contain reservations or qualifications.

c) In the event of resignation, examining the circumstances that motivated it.

d) Ensuring that the remuneration of the external auditor and the verifier of sustainability information for their work, and any other payments arising from other business relationships with the Company, do not compromise their independence or the quality of their work.

e) Ensuring that the Company properly communicates any change of auditor through legally established channels and accompanies such communication with a statement regarding the possible existence of material disagreements with the outgoing auditor and their content.

f) Ensuring that the external auditor and the verifier of sustainability information hold an annual meeting with the full Board of Directors to report on the works performed and on developments in the Company's accounting, the sustainability information, and its risk situation.

g) Ensuring that the Company and the external auditor comply with applicable rules on the provision of services other than auditing services, limits on concentration of the

auditor's business and, in general, rules on the independence of auditors, as well as authorising the procurement of those services.

3. Other functions:

a) Reporting to the Board on economic conditions and their accounting impact and, particularly and where appropriate, on the proposed exchange ratio for corporate restructuring activities that the Company intends to perform.

b) Taking decisions regarding internal compliance and competence programmes and procedures approved and assigned to it by the Board, as well as monitoring compliance with the Company's internal policies and codes of conduct, ensuring that corporate culture is aligned with their purpose and values, and proposing amendments.

c) Overseeing the Internal Code of Conduct on Matters Relating to the Stock Markets, and application of the policy for communication with shareholders, institutional investors and proxy advisors, along with the procedures for maintaining relations with other stakeholders, as well as any financial, non-financial and corporate reporting policy that may form part of these relations, and proposing amendments thereof.

d) Reporting on related-party transactions which must be approved at a Meeting or by the Board of Directors and supervising the internal procedure established by the Company for transactions whose approval has been delegated.

4 Activities during the 2024 financial year

During the 2024 financial year, the ACC held ten ordinary meetings and one extraordinary meeting. The average attendance figure for members who were either physically present at these meetings or attending via videoconference was 100%.

Committee meetings were convened sufficiently in advance to allow members to analyse the documentation and information relating to the items to be discussed, which was made available to them at the same time as notice of each meeting was given.

In addition, the Chairwoman of the ACC informed the Board of the matters discussed and the decisions adopted by the Committee at each of its meetings.

Committee meetings were attended by executive directors, the head of Internal Auditing and Global Risks, and the Compliance Unit (or their appointed representatives), managers and external advisors, following an invitation from the Committee's Chairwoman, in order to discuss items on the agenda that fell within their remit, though this did not in any way compromise the independence of the Committee's actions.

At the beginning of each financial year, the ACC prepares and approves an Action Plan to ensure the proper planning and organisation of its duties.

The main issues that were discussed and analysed by the Committee during the 2024 financial year and that covered the principal areas that it is responsible for overseeing can be divided into the following categories:

INTERNAL AUDITING AND GLOBAL RISKS

Internal Auditing

- Overseeing the efficacy of financial and non-financial risk procedures and the Company's control and governance procedures
- Examination of audits focused on the analysis of process risk, operational risk and systems risk
- Following up recommendations
- Reviewing and updating the ICFR (including the Management Report (MR) and ICSR (formerly ICNFR) models).
- Overseeing section F of the Annual Corporate Governance Report ("ACGR")
- Promoting external reviews (Quality Assurance)
- Overseeing and approving the 2025 operational plan
- Approving the 2025 operational budget

Global risks

- Overseeing and updating the Risk Map and the proposals for updating Financial Risk Management and Control Policies, including Tax Policy
- Promoting external reviews of the risk management model
- Overseeing follow-up reports on risk mitigation plans
- Encouraging appearances by the different risk owners
- Overseeing section E of the ACGR
- Overseeing and approving the 2025 operational plan
- Approving the 2025 operational budget

REVIEW OF THE FINANCIAL AND NON-FINANCIAL INFORMATION TO BE INCLUDED IN THE FINANCIAL STATEMENTS

- Analysing/reviewing the regular financial reports
- Overseeing the preparation process and reporting criteria for the financial and non-financial information / sustainability information
- Reviewing specific issues relating to the financial information that may have an impact on the Company's results (guidance review, reports on proposals for shareholder payments, etc.)
- Monitoring the external review of non-financial/sustainability-related information
- Process for the preparation of the Annual Accounts and the Non-Financial Information

EXTERNAL AUDITOR AND SUSTAINABILITY DATA VERIFYING AGENT

- Submitting proposals for the appointment and re-election of the external auditor and sustainability data verifying agent.
- Monitoring the process for the auditing of the annual accounts, intermediate financial statements and the ICFR
- Monitoring implementation of the external auditor's recommendations
- Assessing the external auditor and reporting annually on its independence
- Authorising services other than auditing and reporting on business relationships
- Approving the fees of the external auditor and the sustainability data verifying agent

COMPLIANCE UNIT

- Overseeing the implementation and updating of the Indra Group's Compliance Model (Code of Ethics and Criminal Compliance, and Manuals on the Prevention of Criminal Risks and Competition in Spain and at international subsidiaries), together with all the other implementing regulations.
- Promoting the regular internal and external verification of the Criminal Risk Prevention and Competition Models with regard to the proper identification of criminal and competition risk, the effectiveness of internal monitoring procedures, and their alignment with current legal standards and national and international best practices
- Regularly updating international standard ISO 37001 on combatting corruption and bribery, and implementing observations in accordance with certification in matters of Compliance
- Updating the Criminal Risk and Competition Map for Spain and for the Company's international subsidiaries, and establishing risk thresholds as an essential criterion for strengthening the internal monitoring of Compliance
- Updating the Map of the Internal Regulations governing the Compliance Unit
- Updating and following up monitoring processes
- Following up the Compliance Culture Plan (training and internal communications on Ethics and Competition)
- Implementing the Criminal Risk Prevention and the Competition Risk Models at recently acquired domestic and international subsidiaries
- Following up the processing of communications received via the Direct Channel and analysing criminal and competition processes
- Approving the 2025 operational budget

OTHER

- Proposing the appointment of a new Director of Internal Auditing and Global Risks
- Analysing and reporting on the financial conditions and accounting impact of the operation to split off the Space business
- M&A Protocol and CGGLC Recommendation 44
- Technical Guide 1/2024 on Auditing Committees
- Reporting to the Board of Directors for the approval of related-party transactions
- Overseeing compliance with the Internal Code of Conduct on Matters Relating to the Stock Markets and application of the policy for communicating with shareholders, institutional investors and proxy advisors.
- Appraisal of the Committee's operation and performance

4.1 Review of financial and non-financial information

4.1.1 Review of the Company's annual accounts

Working from the external auditor's report, at its February 2024 meeting, the Committee reviewed the Management Report and the Individual and Consolidated Annual Accounts for the 2023 financial year prior to their formal preparation by the Board of Directors, giving a favourable opinion.

4.1.2 Review of the regular information to be submitted to the markets and their supervisory bodies

Prior to its approval by the Board of Directors, the ACC reviewed the quarterly financial information for the 2024 financial year and the half-yearly information for the second semester of the 2023 financial year and the first six months of the 2024 financial year, to be submitted to the **CNMV**, checking that it had been prepared using the same criteria as had been used for the annual financial statements.

This review extended to all the information contained in the CNMV's official forms and to the presentations submitted to the CNMV by the Company when publishing its quarterly results, and the Committee checked that the data included in those documents were consistent, making an analysis of the suitability of the criteria applied and the accuracy of the figures.

As regards the consolidated condensed interim financial statements, the Committee carried out a review with the external auditor of the items considered by the latter in order to issue its limited review report.

Complying with the duties with which it is charged, the ACC monitored and evaluated the process for the preparation of the financial information relating to the Company and the consolidated group and the integrity of that information, and it analysed compliance with the requirements set out in law, the accurate demarcation of the consolidation scope, and the correct application of accounting principles, and made recommendations on the way in which

some items were shown, accounted for or presented. To this end, the Committee invited Indra's Officer for Management Oversight (CCO) to attend all of its meetings in which matters relating to the regular reporting of financial information were discussed. It also invited the Company's former Chief Financial Officer (CFO) to its meetings in January and February and the current Chief Financial Officer to the meetings held following his engagement in September 2024, and the Board formally approved the information in question in due time and form.

4.1.3 Non-financial information

As regards the Sustainability Report for the 2023 financial year, the Committee chose to maintain the Sustainability Report as its Non-Financial Information Statement (NFIS). The contents of the Sustainability Report and the process for its preparation were overseen by the Committee in order to ensure that it met all the requirements set out in the GRI and Spanish Non-Financial Reporting Act 11/2018. The Committee was provided with the preliminary favourable report from the Sustainability Committee with regard to the contents and reporting criteria for the aforementioned Report.

The Committee also oversaw the non-financial risk management system, with the Sustainability Director appearing before the Committee.

The Sustainability Report for 2023 was audited by an independent third party (Deloitte), which appeared before the Committee to report on the scope of its audit and the conclusions reached. The Committee confirmed that the audit report would be issued without any provisos.

This Report was prepared by the Board of Directors, which submitted it for approval by the Ordinary General Shareholders' Meeting held on 27 June 2024, which approved the Report by a large majority of votes in favour.

4.2 External Auditing

4.2.1 Monitoring the process for carrying out the audit of the annual accounts

In accordance with its duty to compile regular information on the way in which the annual accounts auditing process is carried out, in 2024 the Committee oversaw the entire process, from its planning, implementation and execution through to its conclusion. The ACC has evaluated the implementation and results of the audit and the work carried out, making an in-depth analysis of the reports prepared by the external auditors in relation to the following:

- Final conclusions regarding the auditing of the annual accounts for the 2023 financial year and the preliminary report.
- The final audit report on the individual and consolidated annual accounts for the 2023 financial year, with the issue of the auditor's opinion without provisos or reservations.
- The report on recommendations for improvement within the organisation, reporting and internal control processes and systems resulting from the auditing of the annual accounts for the 2023 financial year.

- The limited review report corresponding to the first six months of the 2024 financial year.
- The planning and preliminary work carried out for the auditing of the annual accounts for the 2024 financial year.

In order to ensure the proper appraisal of all of these items, the members of the Deloitte team responsible for auditing the accounts appeared before the Committee on six occasions over the financial year, and they clearly had sufficient and suitable access to all of the Company's key personnel, along with all the information they required to make their appraisal.

The ACC was informed about the conclusions contained in the audit of the 2023 accounts filed by Morpheus Aiolos, S.L.U. (a payment processing company, subject to regulation by the Bank of Spain). It issued its report on the external auditor's compliance with the requirements for independence set out in the Spanish Accounts Auditing Act and the Board of Directors Regulations, and it unanimously agreed to submit a favourable report to the directors of Morpheus Aiolos on the preparation of its Annual Accounts. The ACC also approved the proposal by the auditing firm Eudita regarding the fees for the accounts audit for the 2024 financial year.

As regards Pecunpay (a virtual payment company that is licensed to operate using the principal payment systems and subject to regulation by the Bank of Spain), Deloitte informed the ACC about the results of its audit of the said company's annual accounts for 2023 and the materiality threshold that it had set. The Committee issued its report on the external auditor's compliance with the requirements for independence set out in the Spanish Accounts Auditing Act and the Board of Directors Regulations, and it unanimously agreed to submit a favourable report to the directors of Pecunpay on the preparation of its Annual Accounts.

In addition, the Committee approved Deloitte's fee proposal for auditing the accounts of the recently acquired companies Deimos Space, S.L.U. and Deimos Engineering and Systems, S.L., and the companies Indra Space, S.L. (incorporated in July 2024) and Orbitude, S.L. (incorporated in August 2024).

4.2.2 Verifying the independence of the accounts auditor

In compliance with its duty to examine any issues that could threaten the independence of the external auditor, and in accordance with the internal procedure currently in force, the Committee reviews and authorises any fees to be paid for services other than the auditing of the annual accounts, before those services are contracted. It also regularly monitors the accumulated amounts of these fees for the purposes of ensuring that they comply with the limits set out in law and do not compromise the auditor's independence.

The fees paid to the external auditor (Deloitte, S.L.) during the 2024 financial year amounted to the totals shown in the following table:

	Thousands of euros
Auditing the accounts and making a limited half-yearly review	3,112
Other assurance services	562
Tax advisory services	89
Other services	-
Total	3,763

In addition, any business matters in which the auditor and the audited company work together are reported to the Committee, notwithstanding the fact that the regulations in force do not establish any limits or requirements in this regard.

As regards the auditing of the annual accounts for the 2023 financial year, and in compliance with the requirements of the legislation in force, prior to the issue of the auditor's report for the financial year the Committee issued its own annual report on the auditor's independence, giving a favourable opinion regarding that independence and making a specific statement on the types of services other than auditing that it had provided over the course of the year, which had not in any way compromised its independence. This report was made available to the shareholders when the Ordinary General Shareholders' Meeting for 27 June 2024 was convened, pursuant to the contents of Recommendation 6 of the CGGLC.

Deloitte also issued express confirmation of the maintenance of its independence in a letter dated 27 February 2024.

Since March 2020, verification of the external auditor's independence has extended to any subsidiaries that are audited by a firm other than Indra's own auditor.

Following the entry into force of Royal Decree 2 of 12 January 2020, which implemented the Spanish Accounts Auditing Act, changes were made to the procedure for controlling the independence of the external auditor, under which the Committee must review and approve the technical analysis of threats and safeguards that the external auditors make regarding its independence.

4.2.3 Evaluation of adherence to the recommendations resulting from the accounts audit

In accordance with its duty to evaluate the management team's response to recommendations made by the auditor, the Committee reviewed the implementation of the recommendations made following the auditing of the annual accounts for the 2023 financial year.

4.2.4 Evaluation of the external auditor

The Committee reviewed the actions of the external auditor and how these had contributed to the quality of the auditing process and the integrity of the financial information.

4.2.5 Proposed candidates for appointment as external auditor and sustainability data verifying agent

Given the possibility that Directive (EU) 2022/2464 on Corporate Sustainability Reporting (CSRD) and the European sustainability reporting standards (ESRS) might not be transposed into Spanish law before 31 December 2024, the CNMV and the Spanish Institute of Accounting and Auditing (ICAC) published a communique in which they advised businesses and their verifying agents that, even if the CSRD had not been transposed into Spanish law in time, they should prepare their annual sustainability report from 1 January 2025 in line with both the CSRD and the ESRS. Bearing in mind that the date on which the relevant Law will be approved is uncertain, the ACC agreed at a meeting held on 16 December to propose the appointment of Deloitte, S.L. as its sustainability data verifying agent for the 2024 financial year, by way of a precaution and in order to adhere to the contents of the seventh transitional provision of the Draft Bill on Corporate Sustainability Reporting, a proposal that was approved by the Board of Directors. The Committee also agreed to approve Deloitte's fee proposal for its verification of the 2024 Sustainability Report.

In addition, the Board unanimously agreed, at the suggestion of the ACC, to propose that the 2025 General Shareholders' Meeting appoint Deloitte, S.L. as external auditor and verifier of sustainability information for the 2025 financial year.

Finally, during 2024, the Committee held a process for the selection and appointment of a new external auditor and verifier of sustainability information for the period from 2026 to 2028, pursuant to the contents of section 4.d) of Article 529 *quaterdecies* of the Spanish Companies Act, Article 18.6, section 6.2.a) of the Board of Directors Regulations, and Article 40 of the Spanish Accounts Auditing Act, in order to comply with the regulatory requirements relating to mandatory rotation periods and ensure that this process is completed formally and in an organised way that will guarantee its impartiality, following a procedure that is fair, efficient, transparent and non-discriminatory.

After evaluating the bids submitted by the different candidates, the Committee unanimously agreed to submit a favourable report to the Board of Directors favouring the proposed appointment of PwC as external auditor and verifier of sustainability information for the period from 2026 to 2028. The Board unanimously agreed to propose that the 2025 General Shareholders' Meeting appoint PwC as the new external auditor and verifier of sustainability information for the period from 2026 to 2028.

4.3 Internal auditing, internal control and risk management

4.3.1 Internal Auditing

The Committee is responsible for overseeing the composition, powers and performance of the Company's Internal Auditing department ("IA"), and to that end: i) ensuring its independence; ii) proposing the election, appointment, payment and dismissal of the department's head; iii) receiving regular information on its activities; iv) approving its annual budget and working plan and overseeing their implementation; and v) checking that senior management takes account of the conclusions and recommendations contained in its reports.

Since the 2014 financial year, the IA Department has been organisationally dependent on the ACC.

The Director of IA has the status of senior manager but does not sit on the Management Committee, pursuant to the contents of Article 1.3 of the Board of Directors Regulations.

The main purpose of IA's operations is to provide services that assure independence, adhering to best practices and assisting oversight of the operations involved in the internal control system and risk management and governance processes.

The Director of IA attended and actively participated in all the Committee's meetings through to September 2024, the date on which she voluntarily left the Company, reporting on the progress made in the execution of the plan approved in 2023 for that same year and on the work being carried out in the various areas for which she was responsible. From October 2024, the Head of Internal Auditing and Global Risks attended and participated in the Committee's meetings.

As a consequence of her voluntary departure from the Company, the Director of IA provided the Committee with a Transition Plan for the passing-on of Internal Auditing and Global Risks duties, in order to ensure the continuity of the auditing and risk service and compliance with both internal and regulatory requirements, a process that would be completed with the appointment of a new Head of Internal Auditing and Global Risks.

The Committee was informed of the results of the audits carried out during the financial year, which mainly covered the risks relating to accounting and the presentation of financial and sustainability information, the completion of projects, information security and privacy, criminal liability, the management of circulating capital, quality, errors in support processes, the scope and definition of product prices and the management of suppliers.

It was also informed about the monitoring of recommendations made to heads of department with regard to IA, and their implementation of those recommendations.

In January 2024, the Committee reviewed and approved the Report on activities engaged in by IA during the 2023 financial year. In September 2024 it approved the Strategic Plan for the Auditing and Global Risks department, in which it presented a new operating model for the department, and in December 2024 it approved the IA Working Plan for the 2025 financial year.

4.3.2 Internal control

Indra has an Internal Control Over Financial Reporting (“**ICFR**”) Model based on COSO [Committee of Sponsoring Organisations of the Treadway Commission] methodology. The aim of this model is to ensure: i) the effectiveness and efficacy of operations; ii) the sufficiency and trustworthiness of financial information; and iii) compliance with the applicable legislation and regulations.

Implementation of this model is intended to offer reasonable certainty of achieving these aims.

IA carries out an annual audit of the ICFR. Any control weaknesses detected in the ICFR are included in a specific plan of action for each weakness identified. IA monitors and controls these weaknesses and reports to the Committee in this regard until they have been definitively resolved.

The Committee reviews and approves the scope of the ICFR, the quantitative and qualitative factors taken into account in its preparation, and is informed about the different applications that are relevant to this end. Approval of these points in relation to the 2024 ICFR was formally given at the Committee meeting held in September 2024.

The Committee was informed about the results obtained in the analysis of the effectiveness of the 2023 ICFR and the improvements made in February 2024, and it was concluded that no significant deficiency or material weakness had been detected in the operation of the controls associated with this model. As a result of this whole process and with a view to strengthening the transparency and quality of the public information given by the Company to the markets with regard to its ICFR, the Company Management submits an annual description of its ICFR (section F of the Annual Corporate Governance Report, “**ACGR**”), using the sixteen basic indicators recommended by the CNMV.

The Committee reviewed the aforementioned section and its consistency with all the other information included in the Annual Accounts and the Sustainability Report. Following its review, the Committee submitted a report to the Board on the aforementioned section, for the Board’s approval. In addition, since the 2011 financial year, Indra has been voluntarily submitting its ICFR for evaluation by the Company’s auditor. The auditor issues an annual ISAE 3000 report in which it gives an opinion, with a reasonable degree of certainty and according to generally recognised auditing standards, on whether the design and functioning of the Indra Group’s ICFR are or are not effective at the close of the financial year.

IA also performs duties to ensure the proper functioning of the internal control system in general.

The Committee regularly reviews the procedures implemented in order to assess the efficacy of internal control, specifically:

- Analysing the effectiveness of the internal controls of the processes implemented by the Company and its subsidiaries.
- Checking whether there are any potential weaknesses in the internal control procedures and the Company’s ability to respond to them.

- Overseeing and coordinating any significant changes made to the internal control procedures associated with the financial and non-financial information.
- Reviewing and confirming that the appropriate criteria are applied when developing the processes for the closing of the financial statements.
- Carrying out regular follow-ups on the action taken in order to correct the weaknesses identified during audits.

With regard to non-financial reporting, up until 2024 Indra used a model for internal control over its Non-Financial Reporting (“**ICNFR**”) which adheres to best practices. The aim of this model is to establish mechanisms to ensure the reliability of its reporting, and it includes a definition of the controls required to comply with the main indicators in the sustainability report and ensure compliance with EU taxonomy. At the time of reporting, this model has now evolved into a System for Internal Control over Sustainability Reporting (ICSR), in order to bring it into line with the Directive’s requirements on disclosure, as set out in the European Sustainability Reporting Standards (ESRS). The Committee was informed about the results obtained in the analysis of the effectiveness of the 2023 NFIMS and the improvements made in February 2024, and it concluded that no significant deficiency or material weakness had been detected in the operation of the controls associated with this model. The Committee was also informed at its session in November 2024 about the scope of the ICSR audit for 2024 which, in addition to an analysis of Double Materiality (the monitoring of which was carried out in coordination with the Sustainability Committee), included a review of the controls that provide coverage for the disclosure requirements included in the ESRS relating to material issues involving the Company, as set out in the guide published by the European Financial Reporting Advisory Group (EFRAG).

The IA Department has obtained Quality Assessment certification for its activities, which confirms that Indra complies with the International Professional Practices Framework for Internal Auditing issued by the Institute of Internal Auditors – USA (IIA Global).

4.3.3 Risk management

The Committee is responsible for ensuring the establishment of adequate mechanisms for the monitoring of financial and non-financial risk, including operational, technological, legal, social, environmental, political and reputational risks.

The Committee is aware of the importance of managing these risks in order to ensure adequate strategic planning and achieve its established business objectives, particularly in an environment of increasing globalisation and volatility.

The Committee is responsible for overseeing the composition, powers and performance of the Company’s Global Risks department, and to that end: i) ensuring its independence; ii) proposing the election, appointment, payment and dismissal of the department’s head; iii) receiving regular information on its activities; iv) approving its annual budget and working plan and overseeing their implementation; and v) checking that senior management takes account of the conclusions and recommendations contained in its reports.

Since the 2014 financial year, the Global Risks Department has been organisationally dependent on the ACC.

The main purpose of the Global Risks department is to create an appropriate framework to allow the Company to anticipate, prioritise, manage and follow up the portfolio of risks that it may be impacted by. To this end, the Risk Monitoring System is under permanent review, as is the formalisation and systematisation of the criteria for its management. In this regard, a report was presented on the changes that have been made to the systems that support the monitoring of risk indicators, controls and mitigating actions.

Work carried out by the Global Risks department is regularly reported to the Risk Coordination Unit (“**RCU**”) and the Committee for their oversight.

The Committee regularly follows up the action plans established, according to the risk factors defined, and regularly reviews the follow-up reports on risk-mitigation plans.

With the aim of being informed about and checking the adequacy and integrity of the financial and non-financial reporting service and the proper functioning of the Company’s internal control and risk management systems, the Committee arranges meetings with the heads of department and management of the various divisions and control units that are relevant from a risk management perspective, in order to receive reports on the operation of the risk management systems that have been established and the conclusions reached. The most important areas and issues reviewed over the course of the financial year were as follows: i) key personnel, ii) litigation indicators, iii) financial risks, iv) investment and divestment strategy and monitoring, v) production efficiency, vi) information security and data protection, vii) ESG risks, viii) changes in the price of materials and labour, and ix) technological developments.

The Committee also examined initiatives relating to: the internal distribution of the Risk Control and Management Policy among managers and heads of department at Indra’s subsidiaries; the results of the assessment of management culture carried out at group level and the actions to create awareness at sector and territorial level; actions to enhance methodology for the integration of strategy, adjustment to CSRD and the risk management system; and the proposal for implementation of the risk appetite.

In addition, the Committee submitted a favourable report, for approval by the Board of Directors, on the Company’s Risk Map, the updating of its Risk Control and Management Policy and its Financial Risk Management Policy, all of which were duly approved by the Board.

As far as the management of tax risks was concerned, the Committee was informed about the main risks included in the tax risk map, the most important issues with regard to tax Compliance and the main inspections and legal actions relating to tax matters.

In February, the Committee reviewed section E (risk information) of its Annual Corporate Governance Report (“ACGR”) and its consistency with all the other information included in the Annual Accounts and the Sustainability Report. Following its review, the Committee submitted a report to the Board on the aforementioned section, for the Board’s approval.

4.4 Compliance Unit

The Compliance Unit (“**CU**”) is the department that is responsible for coordinating and implementing all decisions and duties relating to compliance with the regulations set out in

the Criminal Risks Prevention Model (the “CRP Model”) and the Prevention of Competition Law Risks Model (the “PCLR Model”).

The Committee is responsible for overseeing the composition, powers and performance of the Company’s CU, and to that end: i) ensuring its independence; ii) approving the election, appointment, payment and dismissal of the unit’s head; iii) receiving regular information on the work conducted; iv) approving its annual budget and working plan and overseeing their implementation; and v) checking that senior management takes account of the conclusions and recommendations contained in its reports.

Since April 2015, the CU has been organisationally dependent on the Committee and, among others, has performed the following duties:

- Promoting a culture of prevention and ensuring that the principles contained in the models are widely known.
- Analysing any legislative changes or new developments that could affect the models.
- Compiling information on the evolution of criminal risk and risk in the area of Competition Law and the preventive measures adopted by the Company.
- Proposing the checks and updates it deems appropriate in respect of the models.
- Managing communications received via the Direct Channel.
- Proposing a working plan for oversight of the models.

The head of the CU, or where applicable, her appointed representatives, attended ordinary meetings of the ACC held during 2024 and reported on the progress being made with the working plan, the latest developments in active processes, the training plan and operation of the Direct Channel.

The Committee oversaw the various actions undertaken by the CU in respect of criminal and competition risk prevention, with the aim of ensuring the maturity of Indra’s CRP and PCLR Models and compliance with the Company’s Code of Ethics and Legal Compliance. Particular emphasis was placed on the following:

- i) actions relating to communications (both internal and external);
- ii) the plan to provide training on Ethics and Competition, both in Spain and at the Company’s international subsidiaries;
- iii) updating and reviewing the controls relating to criminal risk and competition (internal audits);
- iv) with regard to the Company’s international subsidiaries, the Committee was informed about their Criminal Risk Maps, administrative risk maps, which are regarded as similar to criminal and competition risk maps approved by the administrative bodies of these subsidiaries;
- v) the completion of Due Diligence on third parties (suppliers, partners and potential customers);

vi) the information provided annually by the CU to: a) the Management Committee, including the CEO and the Executive Director, together with the Country Managers and the administrative bodies of the international subsidiaries, in order to analyse the suitability of the CRP and PCLR Models and the degree to which they have been implemented, and b) the heads of the business and corporate organisational divisions with regard to the evolution of both Models;

vii) the implementation of both models at domestic and international businesses acquired by the Company;

viii) managing and dealing with communications received via the Direct Channel;

Over the course of the 2024 financial year, the Committee also reported favourably to the Board of Directors on i) approval of the update to the various documents that together form the Compliance Model (the Code of Ethics and Legal Compliance, the Manual for the Prevention of Criminal Risks in Spain and the Manual for the Prevention of Competition Risks in the EU and Norway); ii) the Direct Channel Policy; iii) the Compliance Unit Regulations; and iv) the Anti-Corruption Policy, all of which were approved by the Board of Directors.

In addition, the Committee agreed to approve the Management Protocol for the Direct Channel and the update to the Criminal Risk Prevention and Competition Risk Prevention Manuals for the international subsidiaries.

During the course of 2024, the Committee reviewed and approved (i) the Report on activities engaged in by the CU during the 2023 financial year, (ii) its budget for the 2025 financial year, and (iii) the working plan entitled “2024-2026 CU Three-Year Plan”.

4.5 Other actions

- Analysing and reporting on the financial conditions and accounting impact of the operation [structural modification] to split off an autonomous economic unit [the Space business] from Indra Sistemas, S.A. to become Indra Espacio S.L.U. (a newly created company)

Pursuant to the provisions set out in the Board of Directors Regulations and Recommendation 44 of the CGGLC, the Committee unanimously agreed to report favourably on the financial conditions and accounting impact of the structural modification operation consisting of the separation of Indra Sistemas, S.A.’s Space business to a newly created company (Indra Espacio, S.L.), and to submit its report to the Board of Directors for its approval.

The Board of Directors approved the Separation Project for an autonomous economic unit (the Space business) to be separated from Indra Sistemas, S.A. to become Indra Espacio S.L.U. (a newly created company), along with the merger balance sheet and the relevant report, and the operation was then approved by the Ordinary General Shareholders’ Meeting held on 27 June 2024.

- Technical Guide 1/2024, on the Audit Committees of Public Interest Organisations

In September 2024, the Committee was informed about the main changes to Technical Guide 1/2024, which mainly deals with the processing of information on sustainability and

the associated risks, and which came into force on 1 January 2025. It was also informed about the action plan to be implemented.

- M&A Protocol and CGGLC Recommendation 44

The Committee expressed its favourable opinion on the internal investment and divestment procedure drawn up by the Company, and it was informed about the analysis of CGGLC Recommendation 44 for the purposes of clarifying the operations that require a report from the Committee.

- Appointment of a new Director of Internal Auditing and Global Risks

The Committee agreed, on the one hand, to propose the appointment of a new Director of Internal Auditing and Global Risks to the Appointments and Corporate Governance Committee, and on the other, to propose her remuneration conditions to the Remuneration Committee, and these two Committees submitted their own favourable reports for approval by the Board of Directors.

The Board of Directors approved the new Director of Internal Auditing and Global Risks' contractual conditions and agreed to engage her with the status of senior manager, though she will not sit on the Management Committee. The appointment of this senior manager fills the vacancy that arose in this position as a consequence of the voluntary departure of the previous Director of Internal Auditing and Global Risks.

- Appraisal of the ACC's operation and performance

On January 2024, the Board carried out an appraisal of the Committee's operation and performance during the 2023 financial year, as part of its annual appraisal.

In accordance with Article 13.9 of the Board of Directors Regulations, and following a proposal from the Appointments, Remuneration and Corporate Governance Committee, the Board implemented the aforementioned appraisal with support from an external consultant (KPMG).

This appraisal process ended with a highly satisfactory assessment of the Committee's operation and the work done by its Chair during the financial year examined.

- Monitoring of legal matters relating to the Company

The Committee was informed at each meeting about the current status of the main litigation actions and proceedings in course.

- Related-party transactions

- Pursuant to the contents of Article 529 *duovicies* of the Spanish Companies Act, the Committee submitted reports on related-party transactions to the Board of Directors for its approval.
- The Committee reviewed the information on related-party transactions with significant shareholders and directors that is to be included both in the half-yearly economic and financial information to be submitted to the CNMV, and in the Annual Accounts and the ACGR.

- The Committee approved the Annual Report on related-party transactions, which was published by the Company when announcing the convening of the General Shareholders' Meeting.
- The Committee submitted a favourable report on the updating of the Related-Party Transactions Protocol to the Board for its approval.
- Appraisal of compliance with the Regulations governing the Internal Code of Conduct in matters relating to the Stock Markets, through the appearance before the Committee of the person responsible for monitoring the Company's Internal Code of Conduct.

5 Conclusions

The Committee has confirmed that all the matters set out in its Action Plan for the 2024 financial year have been adequately dealt with and that the Plan's implementation complied with all currently applicable regulations.

In the 2025 financial year, the Committee plans to continue reviewing and monitoring the situation relating to all the matters that fall within its competence, pursuant to its Meetings Schedule and Annual Working Plan.

This report has been approved by Indra's ACC at a meeting held on 28 January 2025 and was borne in mind during the process for the appraisal of the Board and its Committees for 2024.

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