



# Report by the Auditing and Compliance Committee on related- party transactions

April 2023

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

Pursuant to the provisions of Recommendation 6 of the Good Governance Code of Listed Companies approved by the National Securities Market Commission (CNMV), the Auditing and Compliance Committee of Indra Sistemas, S.A. ("**Indra**", or the "**Company**") prepares this report on related-party transactions carried out by its group and subsidiaries during the 2022 financial year, which will be published on the corporate website on the occasion of the call to the Ordinary General Shareholders' Meeting 2023.

## 2 Rules applicable to related-party transactions with Directors and Shareholders

In accordance with the provisions of Article 35 of the Board Regulations

1. *The Board is responsible for understanding and approving any direct or indirect transaction made between the Company and any related-party as defined by applicable law prior to its execution.*

*Transactions shall be evaluated from the point of view of equal treatment and market conditions and in accordance with provisions set out in law.*

*The Board's power to approve related-party transactions may not be delegated except in the cases provided for in the legislation in force from time to time.*

2. *Notwithstanding the contents of the foregoing paragraph, authorisation must be given by the General Shareholders' Meeting when the transaction reaches a value of 10% or more of the total assets shown in the most recently approved annual consolidated balance sheet, or the value set out in the legislation in force from time to time.*
3. *Approval of a related party transaction by the General Shareholders' Meeting or the Board must be subject to a prior report by the Auditing and Compliance Committee, the contents of which shall adhere to the provisions of the legislation in force from time to time. Affected board members may not take part in the drafting of the said report.*
4. *Board members must provide information on any parties that are related to them, pursuant to the way this term is defined in law, so that the Company may identify any potential related-party transactions.*
5. *As a general rule, board members who are affected by related party transactions or who represent or are linked to any affected shareholders must abstain from participating in the debate and vote on the relevant resolution, unless their abstention is not required in law. When these relate to transactions with shareholders that are subject to a decision by the General Shareholders' Meeting, the affected Shareholder shall be deprived of its voting rights, except in cases in which the proposed resolution has been approved by the Board of Directors and a majority of the independent directors have not voted against it, pursuant to the regulations set out in the legislation in force from time to time.*

6. *Related-party transactions shall be valued in accordance with the regulations for calculating their value set out in the legislation in force from time to time.*"

The Board of Directors adapted its Board Regulations in July 2021 to the amendments made to the Spanish Companies Act (new Chapter VII bis of Title XIV) by Law 5/2021 of April 12, 2021, on this matter, amendments which came into force that same month.

Related-party transactions engaged in by the Company or companies belonging to its group shall be subject to the rules of disclosure set out in the legislation in force from time to time.

### 3 Financial year 2022 related-party transactions

Based on the regulations referred to in the previous section, the Board of Directors, prior a favorable report from the Auditing and Compliance Committee, has been approving related-party transactions with those who at that time were significant shareholders or with companies related to them.

In compliance with the provisions of Article 35.5 of the Board Regulations, the proprietary directors representing significant shareholders on the Board have abstained from participating in the deliberation and voting on any resolution relating to related-party transactions with such shareholder.

As stated in Notes 41 and 43 of the Notes to the Individual and Consolidated Annual Accounts for the year ended December 31, 2022, ("the Notes") the related-party transactions for the year were carried out in the ordinary course of the Indra Group's business and on an arm's length basis.

The following is a detail of the information of the related-party transactions broken down in the Annual Accounts of financial year 2022 of Indra Sistemas, S.A. and its group:

- Note 41 of the Notes to the Individual Annual Accounts:

2022 (Thousand euro)		
With Shareholders		
Nature of the transaction	SEPI	Total 31.12.2022
Sales of goods and services	43,288	43,288
Purchase of goods and services	276	276
	<b>43,564</b>	<b>43,564</b>

2022 (Thousand euro)		
With Shareholder		
Year-end balances	SEPI	Total 31.12.2022
Trade and other receivables	25,804	25,804
Trade and other payables	26	26
	<b>25,830</b>	<b>25,830</b>

- Note 43 of the Notes to the Consolidated Annual Accounts:

Nature of the transaction	2022 (Thousand euro)	
	With Shareholders	
	SEPI	Total 31.12.2022
Sales of goods and services	54,926	54,926
Purchase of goods and services	401	401
	<b>55,327</b>	<b>55,327</b>

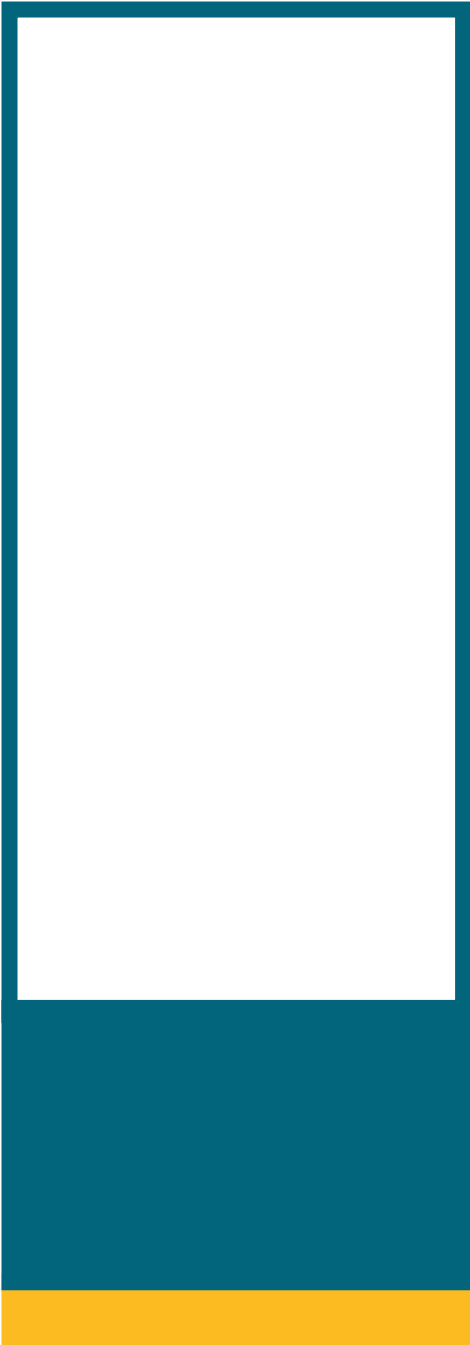
Year-end balances	2022 (Thousand euro)	
	With Shareholders	
	SEPI	Total 31.12.2022
Trade and other receivables	29,917	29,917
Trade and other payables	36	36
	<b>29,953</b>	<b>29,953</b>

In addition to the transactions indicated above, dividends paid to shareholders represented on the Board of Directors and Board Members are detailed below:

	2022 (Thousand euro)	
	With Shareholders	With Board members
SEPI Group	7,419	-
SAPA	2,105	-
Board Members	-	35

There have been no transactions with Directors, Senior Management or related-parties other than those mentioned above.

This report was approved by the Auditing and Compliance Committee at its meeting held on April 24, 2023.



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