



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

March 2022

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 2021 financial year, which will be published on the corporate website on the occasion of the call to the Ordinary General Shareholders' Meeting 2022.

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

Law 5/2021, of April 12, 2021, which amends the revised text of the Capital Companies Law, approved by Royal Legislative Decree 1/2010, of July 2, 2010, and other financial regulations, with respect to the promotion of long-term shareholder involvement in listed companies, which came into force on July 3, 2021, introduced a new Chapter VII bis of Title XIV in the Capital Companies Act ("LSC"), relating to the regime of related-party transactions in listed companies and intra-group transactions.

The Board of Directors, at its meeting held on July 26, 2021, and upon the proposal of the Appointment, Remuneration and Corporate Governance Committee, approved the partial amendment of its Regulations, in order to adapt them to this new regime set forth in Articles 35 and 36, whose literal wording is as follows:

"Article 35. Related-Party Transactions

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."*

“Article 36. Public Information

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 2021 related-party transactions

Based on the regulations referred to in the previous section, the Board of Directors, following a favorable report from the Auditing and Compliance Committee, has been approving related-party transactions (commercial, financial and service rendering/receiving 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 40 and 43 of the Notes to the Individual and Consolidated Annual Accounts for the year ended December 31, 2021, ("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 related-party transactions carried out during the year, broken down in the Notes:

- Note 40 of the Notes to the Individual Annual Accounts:

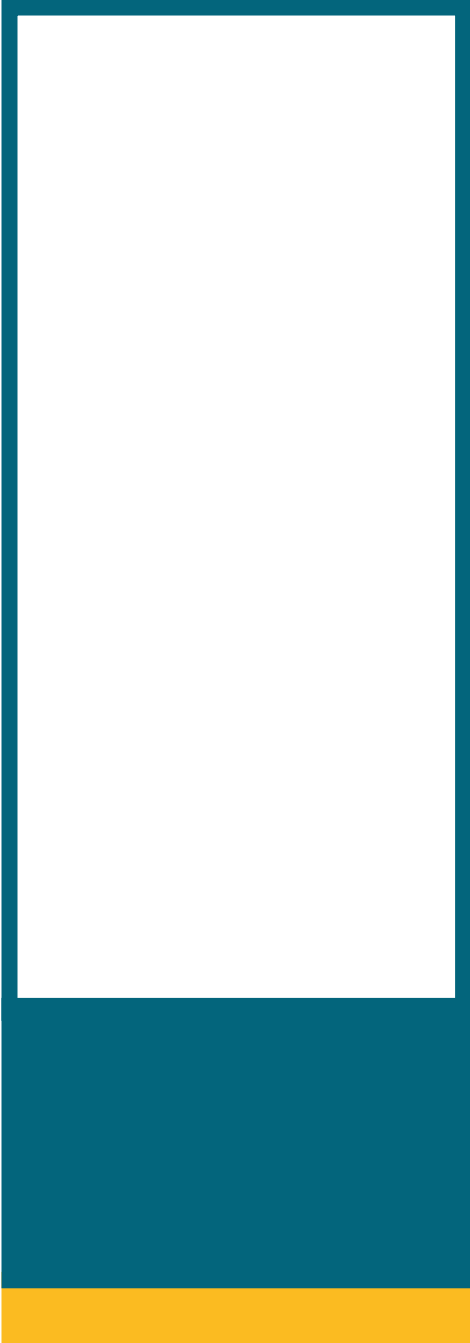
Nature of the transaction	2021 (Thousand euro)		Total 31.12.2021
	SEPI	With Shareholders C.F.A	
Sales of goods and services	37.973	-	37.973
Purchase of goods and services	353	-	353
Financial service expenses	-	193	193
	38.326	193	38.519

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

Nature of the transaction	2021 (Thousand euro)		Total 31.12.2021
	With Shareholders	With Directors	
Sales of goods and services	53.804	-	53.804
Purchase of goods and services	626	-	626
Financial service expenses	195	-	195
	54.625	-	54.625

On the other hand, as detailed in Notes 35 and 38 to the Annual Accounts, there have been no transactions with Directors, Senior Management or related-parties.

This report was approved by the Auditing and Compliance Committee at its meeting held on April 25, 2022.



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