



# Annual Report of the Auditing and Compliance Committee on Auditor Independence

February 2024

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

# Table of contents

<b>1</b>	<b>Introduction.....</b>	<b>2</b>
<b>2</b>	<b>Analysis of external auditor independence .....</b>	<b>2</b>
<b>3</b>	<b>Fees for non-audit services.....</b>	<b>3</b>
<b>4</b>	<b>Conclusion .....</b>	<b>5</b>
	<b>Appendix .....</b>	<b>6</b>

# 1 Introduction

Among other responsibilities, the Auditing and Compliance Committee (the “**Committee**”) of Indra Sistemas, S.A. (“**Indra**” or “**the Company**”) is responsible for assessing the performance and findings of the work carried out by the external auditors, paying particular attention to matters that could jeopardise their independence and any other aspects related to the audit process and, where applicable, for authorising the fees for services other than the audit of the annual accounts before the external auditor is engaged.

In this regard, Article 18, section 6.2 of the Board of Directors Regulations sets out all of the Committee's functions in connection with the external auditor that are not specified by Law. Specifically, that article lays down the Committee's obligation to ensure that the Company and the external auditor abide by prevailing legislation on auditor independence.

In any event, and in accordance with Article 529 quaterdecies, section 4 e) of the Spanish Companies Act (“**SCA**”) and with auditing legislation, the Committee must receive an annual statement from the external auditors of independence from the Company or entities directly or indirectly related to the latter, as well as detailed, itemised information on additional services of any kind provided and the corresponding fees received by the external auditor or by persons or entities related to the latter as consideration for the provision of such services. The Committee also checks that the revenues from the business relationships in which the external auditor and the Company collaborate do not compromise auditor independence.

The Committee must issue an annual report under Article 529 quaterdecies, section 4 f) of the SCA, prior to the issuance of the audit report on the annual accounts each year, expressing an opinion on whether the independence of the external auditors or audit firms has been compromised. This report must in any case express an opinion on the provision of non-audit services.

To this end, the Committee prepares this annual report on auditor independence (the “**Report**”) describing the Committee's analysis and verification of the above-mentioned aspects and issues an opinion on the independence of the external auditor, Deloitte, S.L. (“**Deloitte**”).

## 2 Analysis of external auditor independence

### 2.1. Duration of the audit mandate

The General Shareholders' Meeting held on 23 June 2022 approved the reappointment of Deloitte, S.L. as the auditor of the accounts of the Company and its consolidated group for the financial years ending 31 December 2022, 2023 and 2024, so that 2023 is Deloitte's eighth year as the Company's external auditor.

### 2.2. Gradual rotation of the audit partner

The Deloitte partner Ana Sánchez Palacios will sign the audit report on the 2023 annual accounts in her third year as the audit lead partner, in accordance with Article 40.2 of the Audit Act.

### 2.3. Annual confirmation of independence

The Committee has received from the external auditors written confirmation of their independence from Indra and its consolidated group, as well as a breakdown of services of all kinds, in addition to the audit of accounts, provided to the Indra Group by Deloitte or by persons or entities related to that audit firm, in compliance with audit legislation.

In the letters confirming independence sent on 27 February 2024, the auditor stated the following:

*“The engagement team and Deloitte, S.L., including applicable extensions, have complied with the independence requirements applicable under Law 22 of 20 July 2015 on Auditing (Audit Act), related implementing regulations and Regulation (EU) no. 537 of 16 April 2014.”*

The Committee also acknowledged the content of those letters confirming independence in relation to the procedures that the auditor has in place to guarantee independence:

*“We have designed and implemented internal policies and procedures so as to provide reasonable assurance that our independence will be maintained. These include procedures to identify and assess any threats that may arise from circumstances related to entities audited, including those that may be causes for incompatibility and, if applicable, to apply the necessary safeguards [which may be consulted on [www.deloitte.es](http://www.deloitte.es)]. In relation to our audit, and for the period covered by the financial statements up until the issuance of this letter, no circumstances have been identified that, individually or as a whole, could represent a significant threat to our independence and thus require the application of safeguards or could be causes for incompatibility.”*

### 2.4. Auditor's fees for all items

The fees paid to the audit firm for all items have been compared with the Company's internal records and we have verified that they do not in any case represent a significant percentage of the audit firm's total revenues for the past year.

The fees paid by Indra to Deloitte and its global network in 2023 account for 0.005% of the auditor's worldwide revenue. The fees paid to Deloitte Spain in 2023 represent 0.16% of its gross revenue.

## 3 Fees for non-audit services

The Committee has a procedure in place to review and, if applicable, authorise non-audit services. To this end, proposals for services of this kind are analysed in the Committee meetings and confirmation is obtained, in each case, that the proposals have been reviewed by the Internal

Audit Department, that the amount is immaterial and that Deloitte has confirmed the absence of independence issues.

The amount of fees paid in 2023 for non-audit services and their relationship to the external auditor's total fees are as follows:

	Company	Group companies	Total
Amount invoiced for non-audit services (thousand euro)	333	72	405
Amount invoiced for non-audit work/Amount for audit work <sup>(i)</sup> (in %)	48	4	17

<sup>(i)</sup> The cost of auditing work includes the fees paid for the accounts audits carried out by the Group

The total amount of non-audit work shown in the table above includes the work detailed below, in accordance with the provisions of section III, "Monitoring of the ACGR model", of the CNMV's annual publication on the Corporate Governance Report of entities issuing securities admitted to trading on regulated markets for the 2021 financial year, which indicates that limited reviews of interim financial information cannot be considered audit work, although such work is not included in the letter of independence issued by Deloitte:

- Indra Sistemas, S.A.'s biannual review: 193m€
- Smart Paper, SpA's limited review: 20m€
- Smartest, S.r.l.'s limited review: 13m€

Set out below is a breakdown of the fees for non-audit services provided by the external auditor in its letters confirming independence:

#### Other verification services

Number of engagements	Description	Fees (thousand euro)
1	Assurance report (ISAE 3000) on the SCIIF <sup>1</sup>	62
1	Assurance report (ISAE 3000) on the Sustainability Report <sup>1</sup>	74
1	Other agreed-upon procedures reports unrelated to Ecoembes, covenants and grants	6
1	Professional services as independent public accountants in connection with the opinion of the Statutory Auditor to CESCE-Soluções Informáticas S.A.	1
1	Assurance report (ISAE 3000) on the Declaration (IKOP-B) regarding Indra Navia AS's SESAR-funded projects	5

<sup>1</sup> Services provided by the auditing firm Deloitte, S.L.

3	Agreed-upon procedures reports related to the review of accounts supporting grants	23
1	Assurance report on the tax certification required by Norwegian local legislation	4
1	ISAE 3402 report on controls implemented by Indra in the IT platform used by WiZink Bank, S.A.U. <sup>2</sup>	-
<b>Total</b>		<b>175</b>

### Tax services

Number of engagements	Description	Fees (thousand euro)
1	Tax services provided to Indra Sistema's branch in India in relation to tax returns, tax inspections by the tax authorities, transfer pricing and general tax assistance	4
<b>Total</b>		<b>4</b>

In addition, pursuant to Article 529 quaterdecies of the SCA, a breakdown of the services of reference and reasoned opinions in each case is included as an appendix to this report.

## 4 Conclusion

On the basis of the information furnished by the external auditors on the policies, procedures and tools used by the team that audits the Company and the Committee's verification of the aspects set out in this report, Deloitte has the necessary independence to audit Indra and its consolidated group.

In witness whereof, the Auditing and Compliance Committee unanimously votes in favour of issuing this report in the meeting of 26 February 2024.

<sup>2</sup> The fees for these services were charged to Wizink Bank, S.A.U.

## Appendix

### Other verification services

	Description	Group company contracting the service	Fees (thousand euro)	Reasoned opinion
Assurance report (ISAE 3000) on the SCIIF <sup>1</sup>	Review of the information in Note F of the Annual Corporate Governance Report, ICFR Report 2023 and reasonable assurance review of the effectiveness of ICFR, in accordance with ISAE 3000	Indra Sistemas, S.A.	62	The Spanish National Securities Market Commission (CNMV) recommends listed companies to ask their external auditor to issue a report on ICFR-related information, which forms part of the Annual Corporate Governance Report
Assurance report (ISAE 3000) on the Sustainability Report <sup>1</sup>	Review of the 2023 Sustainability Report, including the Statement of Non-Financial Information, with limited assurance scope (ISAE 3000), and review of the proper application of the Global Reporting Initiative (GRI) guidelines	Indra Sistemas, S.A.	74	It is common practice for this type of service to be performed by the company's auditor, as this generates significant synergies with the audit work, resulting in a lower cost of services for the company. In addition, the future EU Non-Financial Reporting Directive (CSRD) also recommends that the statutory auditor should perform the verification of non-financial information.
Other agreed-upon procedures reports unrelated to Ecoembes, covenants and grants	Agreed-upon procedures in accordance with the guidelines issued by the LCGPA, regarding Local Content of Indra Technology Solutions Co. Ltd. for 2021	Indra Technology Solutions Co, Ltd	6	The agency overseeing the NEOM project bid (Trunk Rolling Stock, Systems and Infrastructure/Energy Procurement) requires the prior obtaining of the LCGPA Certificate by one of the approved auditors. It is common practice in the industry for this type of service to be performed by the company's auditor.

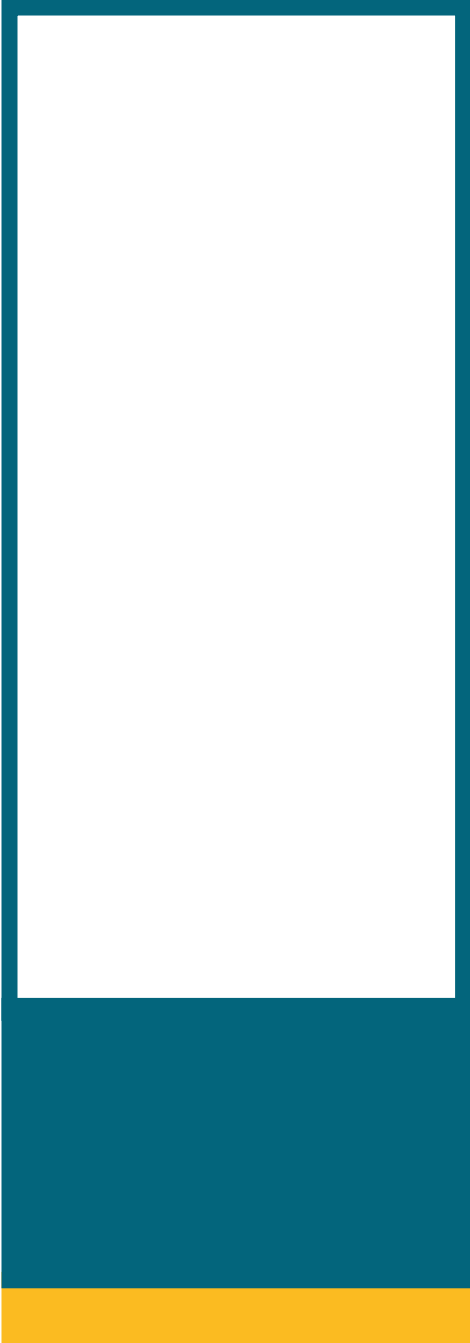
Professional services as independent public accountants in connection with the opinion of the Statutory Auditor to CESCE-Soluções Informáticas S.A.	Professional services as independent public accountants in connection with the opinion of the Statutory Auditor to CESCE-Soluções Informáticas S.A., pursuant to Article 99, paragraph 1 of the Commercial Companies Code, regarding the merger process by incorporation of CESCE - Soluções Informáticas S.A. into Indra III Soluções de Tecnologia da Informação Portugal, Unipessoal Lda.	CESCE-Soluções Informáticas S.A.	1	Deloitte provides the services because under Portuguese law it must be the auditor of the merged company.
Assurance report (ISAE 3000) on the Declaration (IKOP-B) regarding Indra Navia AS's SESAR-funded projects	Assurance report (ISAE 3000) on the Declaration (IKOP-B) regarding Indra Navia AS's SESAR-funded projects	Indra Navia, A.S.	5	The body overseeing the execution of the SESAR project in Norway requires the company's auditor to review the project's financial information
Agreed-upon procedures reports related to the review of accounts supporting grants	Agreed procedures related to the Horizon 2020 grant agreement 874478 – PJ14 W2 I-CNSS	Indra Navia, A.S.	7	The body overseeing the execution of the SESAR project requires the company's auditor to review the project's financial information
Agreed-upon procedures reports related to the review of accounts supporting grants	Agreed procedures related to the Horizon 2020 grant agreement 874470 – PJ05 W2 DDT	Indra Navia, A.S.	8	The body overseeing the execution of the SESAR project requires the company's auditor to review the project's financial information
Agreed-upon procedures reports related to the review of accounts supporting grants	Agreed procedures related to the Horizon 2020 grant agreement 874477 – PJ02 W2 AART	Indra Navia, A.S.	8	The body overseeing the execution of the SESAR project requires the company's auditor to review the project's financial information
Assurance report on the tax certification required by Norwegian local legislation	Certification of the tax return of the company "Næringsoppgave", the form reflecting salaries and pensions, and other documents attached to tax returns requiring auditor certification	Indra Navia, A.S. and Normeka. A.S.	4	The Tax Assessment Act requires the company's auditor to sign the tax return and the form reflecting salaries and pension expenditure



ISAE 3402 report on controls implemented by Indra in the IT platform used by WiZink Bank, S.A.U. <sup>2</sup>	ISAE 3402 report on controls implemented by Indra in the IT platform used by WiZink Bank, S.A.U.	Indra Soluciones Tecnologías de la Información, S.L.	0	<p>Deloitte has been selected by WiZink to provide independent review services addressing the general IT controls in place in its service organisations. Specifically, in Indra's case, the review is performed on the IT platform used by Indra when providing services to WiZink as a customer</p> <p>There is no kind of threat to or incompatibility with the Group's auditor, since the independent review is carried out on systems used by WiZink, which are entirely separate from Indra's own management systems</p>
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## Tax services

	Description	Group company contracting the service	Fees (thousand euro)	Reasoned opinion
Tax services provided to Indra Sistemas' branch in India in relation to tax returns, tax inspections by the tax authorities, transfer pricing and general tax assistance	Tax services provided to Indra Sistemas' branch in India in relation to tax returns, tax inspections by the tax authorities, transfer pricing and general tax assistance	Indra Sistemas, S.A.	4	Deloitte has been working with Indra since 2010 in relation to the preparation of the tax return as a non-resident entity in India and the resulting tax inspections, so it has a high level of understanding of the tax aspects affecting the Company and historical knowledge that is difficult to replace, under no circumstances assuming any of the Management's own functions.



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