



**REPORT BY THE AUDIT AND CONTROL
COMMISSION ON RELATED PARTY
TRANSACTIONS**

Fiscal year 2023

1. INTRODUCTION

In accordance with the provisions of Article 529 ter.1.h) of the consolidated text of the Capital Companies Act (the “LSC”) approved by Legislative Royal Decree 1/2010 of July 2, the Board of Directors (the “Board”) of Técnicas Reunidas, S.A. (the “Company”) has the non-delegable power to approve related party transactions, subject to a previous favorable report from the Audit and Control Commission (the “Commission”). Likewise, Article 13.2 of the Board of Directors’ Regulations stipulates that the Commission’s responsibilities include *“Reporting to the Board of Directors in advance of approval of related party transactions by the General Shareholders’ Meeting or the Board of Directors and supervising the internal procedure established by the Company concerning these transactions, the approval of which is delegated in accordance with applicable regulations”*.

Besides, in accordance with Article 529 vicies.1 of the LSC, *“(…) related-party transactions shall be considered those performed by the Company or its subsidiary companies with directors, shareholders owning 10% or more of the voting rights or represented in the Company’s Board of Directors or with any other person that may be considered a related party as set forth in the International Accounting Standards, adopted in compliance with Regulation (EC) 1606/2002 of the European Parliament and Council, dated July 19, 2002, regarding the application of international accounting standards”*.

In turn, the aforementioned Article 529s of the LSC provides that the following shall not be considered as related party transactions:

- Transactions performed between the Company and its subsidiary companies, in which it has a direct or indirect holding, notwithstanding the provisions set forth in Article 231 bis of the LSC.
- The approval by the Board of the terms and conditions of the contract signed between the Company and a director to perform executive functions, including those of the CEO and senior directors, and the stipulation by the Board of the specific amounts or remunerations to be paid by virtue of those contracts, notwithstanding the affected director’s duty to abstain as set forth in Article 249.3 of the LSC.
- The transactions between a company and its subsidiary or affiliated companies, provided that no other related party has any interest in those subsidiary or affiliated companies.

On its part, Recommendation 6 of the Good Governance Code of Listed Companies establishes that listed companies that prepare various reports, including the Committee's Report on related party transactions, should publish them on their website sufficiently in advance of the Ordinary General Shareholders' Meeting.

In compliance with this recommendation, the Commission has prepared this Report¹, which will be duly published on the Company's website in connection with the Company's Ordinary General Shareholders' Meeting.

2. PROCEDURE FOR THE ANALYSIS OF THE COMPANY'S POSSIBLE RELATED PARTY TRANSACTIONS

In order to ensure full compliance with the legal requirements on related party transactions, in 2021 the Board of Directors of the Company approved the Técnicas Reunidas Related Transactions Protocol (the "**Protocol**"), the purpose of which is to develop, based on the provisions established in the LSC, in the Company Bylaws, in the General Meeting Regulations and in the Regulations of the Board of Directors of Técnicas Reunidas, the criteria for the application of the approval regime for related party operations that affect the Company, as well as for the publication, if applicable, of information about them, establishing in this respect the internal procedure for the identification, analysis, approval, monitoring, information and control of related party transactions.

In accordance with the provisions of the aforementioned Protocol, the analysis of related-party transactions prior to their approval is the responsibility of the Operating Group set up under the Protocol, whose function is essentially to provide support to the governing bodies for the application of the regime on related party transactions and, in particular, to the Audit and Control Committee.

In this regard, and in accordance with the procedure established in the Protocol for the analysis and approval, as the case may be, of related party transactions, the head of the unit or area of the Company before which, due to the subject matter, a related party transaction is proposed, shall submit the proposal to the Secretary of the Operating Group for its analysis as soon as possible.

¹ This report is issued by the Audit and Control Committee of Técnicas Reunidas in order to report, from a strictly corporate perspective and in compliance with the LSC, on the related-party transactions corresponding to the 2023 financial year; without prejudice to the considerations and treatment of the same from the perspective of the applicable accounting and securities markets regulations, which are not the subject of this report



Once the notification of the proposal has been received, the Task Force will analyze it, gathering the information and, if necessary, the reports that may be necessary in order to comply with the regulations on related party transactions.

In accordance with the procedure set forth in the Protocol, the Operating Group has analyzed the transactions that have been submitted to it during fiscal year 2023, concluding that none of them met the requirements to be considered as a related-party transaction in accordance with the current legislation, the Company's Bylaws, the Regulations of the Board of Directors and the Company's Protocol for Related Party Transactions.

Subsequently, the Commission, based on the information provided by the Task Force, has confirmed the Task Force's judgment.

In particular, and according to the information available to the Commission, the following have been analyzed:

(i) the agreements signed with Unicaja Banco, S.A. (hereinafter "**Unicaja**") by virtue of which the Company has at its disposal certain credit lines, guarantees and other financial products, insofar as the Company's independent director Petra Mateos-Aparicio Morales has in turn been a director of Unicaja until February 2023, and regarding which the Committee has concluded that Unicaja is not a party related to Técnicas Reunidas in accordance with the definition set forth in Article 529 vicies.1 of the LSC and therefore these contracts do not constitute a related party transaction for the purposes of the LSC.

(ii) the agreement entered into with Borrox Finance, S.L. (hereinafter "**Borrox**") for operating relations whereby the Company does not make any economic consideration in favor of Borrox nor receives any consideration from Borrox and whereby Borrox, through a subsidiary of its group and a securitization fund, offers certain suppliers of Técnicas Reunidas the possibility of discounting their invoices to the Company, to the extent that one of the directors of Técnicas Reunidas, Mr. José Manuel Lladó, is also a director and holder of 6.20% of the share capital of Borrox, and regarding which the Commission has concluded that Borrox is not a party related to Técnicas Reunidas in accordance with the definition laid out in article 529 vicies. 1 LSC and, therefore does not constitute a related party transaction for the purposes of the LSC; and

(iii) subscription with Kenta Capital Investment Management, S.A: ("**Kenta Capital**") of a contract for the provision of financial advisory services to the Company, to the extent that one of the directors of Técnicas Reunidas, Mr. José Nieto de la Cierva is, in turn, a shareholder and director of Kenta Capital, and



on which the Commission has concluded that Kenta Capital is not a party related to Técnicas Reunidas in accordance with the definition set forth in Article 529 vicies. 1 LSC and, therefore, the execution of such agreement with Kenta Capital does not constitute a related party transaction for the purposes of the provisions of the LSC.

The Company consulted with independent external experts Gómez Acebo & Pombo when preparing this Report.

3. CONCLUSION

In view of the information available, summarized in the previous sections, the Committee concludes that the Company has not carried out during fiscal year 2023 any transactions that are considered to be related party transactions in accordance with the provisions of Articles 529 vicies. to 529 tervicies of the LSC, having applied the provisions of the Protocol in this respect.