



**Annual Operations and Activity  
Report of the Audit Committee  
Financial Year  
2023 Prosegur  
Cash 2/26/2024**





# Annual **Operations and Activity Report** of the Audit Committee 2023

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# Annual Operations and Activity Report of the Audit Committee 2023

## 1. INTRODUCTION

Article 23.1 of the Regulations of the Audit Committee of Prosegur Cash, S.A. ("**Prosegur Cash Cash**" or the "**Company**") stipulates the annual preparation of a report on the operation of the Company's Audit Committee, in order to allow shareholders and other stakeholders to understand the activities carried out by the Company during the financial year.

In this regard, the Company's Audit Committee has drawn up, at its meeting held on February 26, 2024, this annual report related to the operations and activities of the Audit Committee of Prosegur Cash throughout the financial year 2023, which describes the main actions carried out by the Company's Audit Committee from January 1, 2023, to December 31, 2023, and which was approved by the Company's Board of Directors at its meeting on February 26, 2024.

This report is also issued in order to comply with the recommendations contained in the Technical Guide on Audit Committees approved by the Spanish National Securities Market Commission on June 27, 2017, and thereby to incorporate the best corporate governance practices.

## 2. AUDIT COMMITTEE REGULATIONS

The operation of the Audit Committee is regulated in the Bylaws (article 30), in the Regulations of the Board of Directors (article 17), and in the Audit Committee Regulations.

The Bylaws, the Board Regulations and the Audit Committee Regulations are available to any interested party on the Company's corporate website ([www.prosegurcash.com](http://www.prosegurcash.com)), in the Corporate Governance section.

Article 17 of the Board Regulations establishes, in subarticle 4, the basic functions of the Audit Committee, which are as follows:

- Inform the General Shareholders' Meeting of the questions posed in respect of the matters for which the Committee is competent and, in particular, regarding the results of the audit, and to explain how the audit has contributed to the integrity of the financial reporting and the function that the Committee has performed in said process.
- Ensure that the annual accounts which the Board of Directors presents to the General Shareholders' Meeting are prepared in accordance with accounting legislation, and in cases where the auditor has included any qualifications in his audit report, to clearly explain to the Shareholders' Meeting, through the Chairman of the Audit Committee, the Committee's opinion on their contents and scope, making available to the shareholders, at the time of publication of the call of the Shareholders' Meeting, a summary of that opinion along with the rest of the proposals and reports.
- Present to the Board of Directors the proposals for the selection, appointment, re-election and replacement of the external auditor, being responsible for the selection process in accordance with applicable law, as well as the terms and conditions of the contracting thereof, and regularly request and obtain from the auditor information regarding the audit plan and the execution thereof, and preserve the independence thereof in the performance of its functions
- In relation to the external auditor: (i) examine, in the case of resignation of the external auditor,



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the circumstances that caused said resignation; (ii) ensure that the remuneration of the external auditor for the work thereof does not compromise either the quality or the independence thereof; (iii) oversee that the Company notifies the Spanish Securities and Exchange Commission of the change of auditor, accompanied by a declaration in relation to the existence of any potential disagreement with the outgoing auditor and, if applicable, the terms of said disagreements; (iv) ensure that the external auditor holds an annual meeting with the plenary session of the Board of Directors in order to inform the Board members of the work carried out and of the Company's accounting situation and the risks applicable thereto; (v) supervise the due compliance of the audit contract, and ensure that the opinion regarding the annual accounts and the main terms of the audit report are clearly and precisely drafted; and (vi) ensure that the Company and the external auditor abide by the applicable rules regarding the provision of services other than audit services, the limits regarding the concentration of the business of the auditor and, in general, all other rules regarding the independence of the auditors.

- Establish the relationships and contacts with the external auditor in order to receive information regarding any questions that may represent a threat to the independence thereof, for the examination of said questions by the Committee, and any other matters related to the accounts auditing procedures, and, where applicable, the authorization of the services other than prohibited services, in the terms established in the law, as well as any other communications provided for under audit legislation and under audit regulations. In any event, the Audit Committee must receive from the accounts auditor, on an annual basis, the statement of the independence thereof in relation to the Company and the entities directly or indirectly related thereto, as well as the detailed and itemized information on the additional services of any type whatsoever provided and the corresponding professional fees received from said entities by the auditor, or by the persons or entities related thereto in accordance with the provisions of applicable regulations.
- Issue, each year, prior to the release of the audit report, a report that sets out an opinion as to whether the independence of the auditor has been compromised. Said report must contain, in any event, the justified valuation of the provision of each and every one of the additional services referred to under the preceding paragraph, both individually and as a whole, other than the statutory audit and in relation to the rules on independence or the legislation regulating the audit activity.
- Supervise internal audit and, in particular: (i) ensure that internal audit is independent and efficient; (ii) propose the selection, appointment and removal of the manager of the internal audit service; (iii) propose the budget for the service; (iv) approve or propose the approval to the Board of Directors of the guidance and of the annual work plan for the internal audit and the annual activities report, ensuring that its activity is focused mainly on relevant risks (including reputational); (v) receive periodic information about its activities; and (vi) verify that senior management takes into account the conclusions and recommendations in its reports.
- Oversee and evaluate the preparation and presentation of mandatory financial information and submit recommendations or proposals to the Board of Directors aimed at safeguarding integrity. In this regard, the Committee is responsible for overseeing and evaluating the preparation and integrity of the financial and non-financial reporting as well as the systems for control and management of financial and non-financial risk in relation to the Company and the Group, including operating, technological, legal, social, environmental, political and reputational risks or those related to corruption, reviewing the compliance with legislative requirements, the correct delimitation of the scope of consolidation and the correct application



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of accounting criteria, duly informing the Board of Directors.

- Oversee the efficacy of the Company's internal control and the risk management systems, including tax risks, and discuss any significant weaknesses of the internal control system with the account auditor which have been detected during the audit, all without compromising its independence. For these purposes, and when appropriate, the Committee may submit recommendations or proposals to the Board of Directors and indicate the time period for follow-up. In this context, it shall propose the risk control and management policy to the Board of Directors. This policy must at least identify or determine: (i) the type of financial or non-financial risks (operational, technological, legal, social, environmental, political and reputational risks or those related to corruption) to which the Company is exposed, including among the financial or economic risks contingent liabilities and other off-balance-sheet risks; (ii) a risk control and management model based on different levels, which includes a specialized risk committee where the industry standards so establish or the Company deems appropriate; (iii) the risk level which the Company deems acceptable; (iv) the measures for mitigating the impact of identified risks, should they materialize; and (v) the control and information systems used to control and manage said risks.
- Supervise the functioning of the risk management and control unit of the Company that is responsible for: (i) ensuring the proper functioning of the risk management and control systems and, in particular, that all of the significant risks that affect the Company are identified, managed and adequately quantified; (ii) actively participating in the drafting of the risk strategy and the important decisions regarding the management thereof; and (iii) ensuring that the risk management and control systems adequately mitigate the risks in accordance with the policy defined by the Board of Directors.
- Analyze and inform about the economic conditions, the accounting impacts and, as the case may be, proposed exchange ratio for the structural and corporate modification operations that are to be carried out by the Company, prior to being presented to the Board of Directors
- Inform the Board of Directors, beforehand, regarding all of the matters provided for at law and under the Bylaws and, in particular, regarding: (i) the financial reporting that the Company must periodically disclose to the public; and (ii) the creation or acquisition of shareholdings in special purpose entities or companies with their registered office situated in countries or territories considered to be tax havens
- Review the share issue prospectuses and any other relevant information that must be provided by the Board of Directors to the markets and the regulatory bodies thereof
- Establish and supervise a system that enables employees and other individuals related to the Company, such as directors, shareholders, suppliers, contractors or subcontractors, to communicate irregularities of potential importance, including any financial and accounting irregularities or any other kind, related to the Company that are detected within the Company or its Group. That mechanism must guarantee confidentiality and, in any case, establish cases in which communications may be made anonymously, respecting the rights of the accuser and the accused.
- Receive information and, when appropriate, generate a report about all the actions and decisions made by the Regulatory Compliance Division when performing its duties, and in particular, pursuant to the Company's Internal Code of Conduct in matters relating to the Securities Market.



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- Supervise the application of the general policy on the reporting of financial and non-financial and corporate information, and the communication with shareholders and investors, proxy advisors and other stakeholders. Moreover, monitor the Company's form of communication and relationship with small and medium-size shareholders.
- Report on related-party transactions and, in general, on the matters pertaining to it, in accordance with Title IX of the Regulations of the Board of Directors.
- Ensure in general that internal control policies and systems established are effectively applied in practice.
- In relation to the framework agreement for relations between the Company and Prosegur Compañía de Seguridad, S.A. (hereinafter, the "**Framework Agreement**"), perform the following functions:
  - Previously inform, in relation to the essential aspects thereof (price, term and purpose), about the related-party transactions between the Company and Prosegur Compañía de Seguridad, S.A., or between any of the companies of their respective groups, the approval of which is reserved for the Board of Directors in accordance with the Framework Agreement.
  - Previously inform about the sections of the periodic public information and the annual corporate governance report of the Company that refer to the Framework Agreement and to the related-party transactions between the Group and the Prosegur Group.
  - Inform about the situations in which business opportunities exist simultaneously in relation to the companies of the Group and the Prosegur Group and to supervise the due compliance with the provisions of the Framework Agreement regarding the matter.
  - Periodically inform about the compliance with the Framework Agreement.
  - Previously inform about any proposal for the amendment of the Framework Agreement, as well as the potential settlement proposals aimed at resolving disagreements that may arise.
- Report, prior to its approval by the Board of Directors, on the Annual Corporate Governance Report with regard to related-party transactions and risk management and control systems.

Moreover, articles 7 to 14 of the Audit Committee Regulations set forth the basic responsibilities of the Audit Committee. Annex I contains a transcription of articles 7 to 14 (Audit Committee Responsibilities) of the Audit Committee Regulations.

### 3. MEMBERS AND OPERATION OF THE AUDIT COMMITTEE

#### a. Members of the Audit Committee

Currently, the Company's Audit Committee has the following members:

Post	Member	Category	Length of service
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Chair	Mr. Claudio Aguirre Pemán	Independent director	2/6/2017
Member	Mr. Antonio Rubio Merino	Proprietary director	2/6/2017
Member	Mr. Daniel Entrecanales Domecq	Independent director	6/02/2017
Secretary	Ms. Renata Mendaña Navarro	Non-director	7/25/2018
Deputy Secretary	Roldán García Pereda	Non-director	7/25/2018

Article 17 of the Board Regulations and article 5 of the Audit Committee Regulations state that "*the Audit Committee shall be made up of a minimum of three and a maximum of five non-executive directors (...), who have the dedication, capacity and experience necessary to fulfill their duties*" They also establish that "*The members of the Audit Committee, in particular its Chairman, shall be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial. The majority of the members of the Audit Committee must be independent directors.*"

At the date hereof, two of the members of the Company's Audit Committee are independent directors and one is a proprietary director, and all of them as a whole and, in particular, its Chairman, have the necessary knowledge, skills and experience in accounting, auditing, finance, internal control, and management of both financial and non-financial risks.

The Board of Directors shall designate the Chairman of the Audit Committee always from among independent directors belonging to it. The post of Chair of the Audit Committee shall be held for a maximum of four years, at the expiry of which they may not be re-elected until at least one year has elapsed as from the date of their removal from office, without prejudice to the continuity or re-election thereof as a member of the Committee. In this regard, it is placed on record that Claudio Aguirre Pemán, independent director and Chairman of the Audit Committee, was appointed to that post on February 23, 2021, with effects from March 17, 2021.

The CVs of all of them are available on the corporate website ([www.prosegurcash.com](http://www.prosegurcash.com)).

### **b. Operation of the Audit Committee**

The Audit Committee is an internal, collective, standing, non-executive advisory body entrusted with informing, supervising, assessing, and proposing within the scope of its business operations.

The Audit Committee shall meet on a regular basis according to the needs, and at least four times a year (once per quarter), with the aim of reviewing the financial information that must be disclosed periodically by the Company, as a listed company, and, in any case, when called by its Chairman on his own initiative, at the request of at least two of its members, or when the Board of Directors requests the issuance of reports, the presentation of proposals or the adoption of agreements within the scope of their functions.

The call notice for ordinary meetings shall be issued at least three days in advance, by any legally valid means that evidences the date on which it was sent, and it shall be authorized with the signature of the Chairman of the Audit Committee or of the Secretary on the orders of the Chairman. Special Audit Committee meetings may be called by telephone and the advance notice period and other requirements indicated in this article shall not apply, where the circumstances so justify in the opinion of the Chairman.



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Committee meetings shall be held at the venue indicated in the call notice. When decided by the Chairman of the Audit Committee, the meeting may be convened in different interconnected locations or remotely, by teleconference, videoconference or any other remote communication system that allows for the recognition and identification of attendees, permanent communication between them and intervention and voting, all in real time. The meeting will be considered as held at the location where the Chairman is. The Audit Committee members in attendance at any of the interconnected venues or remotely shall be considered for all intents and purposes as attendees of one and the same Audit Committee meeting.

The Audit Committee shall be validly constituted where more than half of its members are present, in person or by proxy, at the meeting.

The Audit Committee, through the Secretary of the Board of Directors, may invite any of the Company's employees or executives, and it may even determine that no other executive shall be present. Likewise, the Audit Committee can invite any board member to participate, through the Secretary of the Board of Directors. The executives, employees or other Board members, executive or otherwise, shall only attend Audit Committee meetings at the invitation of the Committee Chairman. The Audit Committee may also require the presence of the external auditor at its meetings.

### 4. MEETINGS AND MAIN ACTIVITIES OF THE FINANCIAL YEAR

#### a. Audit Committee Meetings and participants

During financial year 2023, the Company's Audit Committee met 5 times. In all cases, all of its members, present in person or by proxy, took part in the meetings, dedicating sufficient time to the study and analysis of the matters to be discussed.

Pursuant to article 22 of the Audit Committee Regulations, its Chairman informed the Board of Directors of the matters discussed and the decisions adopted by the Committee at the following Board meeting, and the minutes of its meetings were made available to the Board of Directors.

As a result of the Audit Committee meetings, the corresponding minutes were issued and made available to the members of the Board of Directors.

The Committee's main activities in financial year 2023 are summarized as follows:

DATES	MAIN MATTERS ADDRESSED	PROPOSALS BROUGHT BEFORE THE BOARD
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#### Annual accounts and other financial and non-financial information

2/22/2023	Separate and consolidated Annual Accounts and Management Reports for financial year 2022, of which the management reports include the Annual Corporate Governance Report and the Report on Directors' Remuneration, as well as the Non-financial Information Statement which forms part of the Consolidated Management Report. Presentation to Analysts. Presentation of work and conclusions of the external auditor in relation to the audit for the	<ul style="list-style-type: none"> <li>Favorable report to the Board of Directors on the separate and consolidated Annual Accounts and Management Reports for financial year 2022. Presentation of the external auditor's opinion on the individual and consolidated annual accounts for financial year 2022.</li> <li>Favorable report to the Board of Directors on the Annual Corporate Governance Report</li> </ul>
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DATES	MAIN MATTERS ADDRESSED	PROPOSALS BROUGHT BEFORE THE BOARD
	financial year 2022, the Annual Corporate Governance Report (System of Internal Control over Financial Reporting, ICFR), and the Non-financial Information Statement (NFIS) (subject to independent verification resulting from the ISAE 3000 Report).	2022. <ul style="list-style-type: none"> <li>• Favorable report to the Board on the Presentation to Analysts.</li> </ul>
4/26/2023	Financial Information relating to the first quarter of financial year 2023.	<ul style="list-style-type: none"> <li>• Favorable report to the Board of Directors on the Quarterly Financial Report and Interim Management Statement for the first quarter of financial year 2023, and Presentation to Analysts.</li> </ul>
7/26/2023	Financial Information relating to the first half of financial year 2023. Appearance by the external auditor.	<ul style="list-style-type: none"> <li>• Favorable report to the Board of Directors on the Half-yearly Financial Report and Interim Management Statement for the first quarter of financial year 2023, and Presentation to Analysts.</li> </ul>
10/25/2023	Financial Information relating to the third quarter of financial year 2023.	<ul style="list-style-type: none"> <li>• Favorable report to the Board of Directors on the Quarterly Financial Report and Interim Management Statement for the third quarter of financial year 2023, and Presentation to Analysts.</li> </ul>

## Relations with the external auditor. Independence and designation.

2/22/2023	<p>Prior authorization of non-audit work to be carried out by the external auditor (Ernst &amp; Young, S.L.). Favorable opinion on its independence.</p> <p>External audit tender process for 2024, 2025 and 2026. Approval of the calendar and tender specifications.</p>	
4/26/2023	<p>Recommendations Letter by External Auditor on the Annual Financial Statements for 2022.</p> <p>Prior approval of non-audit services provided by the external auditor.</p> <p>Proposal for the reappointment of the auditor for financial year 2023.</p> <p>Results of the external audit tender process for 2024, 2025 and 2026 and submission of the relevant proposal to the Board of Directors.</p>	<ul style="list-style-type: none"> <li>• Proposed extension of the appointment of the current auditor for financial year 2023.</li> <li>• Proposal to designate Ernst &amp; Young, S.L. as auditor of the Company and its Group for financial years 2024, 2025 y 2026.</li> </ul>
7/26/2023	<p>Prior approval of non-audit services to be provided by the external auditor.</p>	



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DATES	MAIN MATTERS ADDRESSED	PROPOSALS BROUGHT BEFORE THE BOARD
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**10/25/2023** Prior approval of non-audit work to be carried out by the external auditor.

## Internal audit, internal control and risk management systems

**2/22/2023** Report by the Internal Audit Department. Approval of the 2022 Activity Report. Review of 2022 objectives and approval of 2023 objectives. Approval of the 2023 Work Plan and budget. Risk update. Monitoring of recommendations.

**4/26/2023** Report on Internal Audit activities of the first quarter of 2023 and risk update.

Annual Compliance Report 2022 and Annual Data Protection Activities Report 2022.

Risk update (anti-money laundering).

**7/26/2023** Monitoring of Internal Audit activities, recommendations and risk update.

Update on labor proceedings in Brazil.

**10/25/2023** Monitoring of Internal Audit activities and risk update.

Update on tax risks.

## Related-party and corporate transactions

**2/22/2023** Approval of related-party transactions.

- Favorable report to the Board of Directors on several related-party transactions.

**4/26/2023** Approval of related-party transactions.

- Favorable report to the Board of Directors on several related-party transactions.

**7/26/2023** Approval of related-party transactions.

- Favorable report to the Board of Directors on several related-party transactions.

**10/25/2023** Approval of related-party transactions.

- Favorable report to the Board of Directors on a related-party transaction.

**12/20/2023** Approval of related-party transactions.

- Favorable report to the Board of Directors on a related-party transaction.

## Shareholder information and corporate documentation

**2/22/2023** Approval of the Annual Operations and Activity Report of the Audit Committee for financial year



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DATES	MAIN MATTERS ADDRESSED	PROPOSALS BROUGHT BEFORE THE BOARD
	2022.	
	Report on the Annual Corporate Governance Report for 2022.	<ul style="list-style-type: none"> <li>Favorable report to the Board of Directors on the Annual Corporate Governance Report 2022.</li> </ul>
7/26/2023	Activity report by the Investor Relations department.	

### Self-organization

10/25/2023 Approval of the meeting calendar for 2024.

#### b. Appearances

The Company's Financial Director, Javier Hergueta, and the Internal Audit Director, Félix Carbajo, participated regularly in all the ordinary meetings of the Audit Committee, speaking on the various items on the relevant agenda. The representatives of the Company's external auditor (David Ruiz-Roso Moyano, Elena Fernández García and Marta Frowein Fiter) also attended two of the Committee meetings. Lastly, the Chairman of the Board of Directors and the Chief Executive Officer of the Company attended all the meetings of that Committee.

In addition, Paulo Gonçalves, Global Corporate Tax Director, Diolimar García, Corporate Legal Director, Miguel Bandrés, Head of Investor Relations Management, and Miguel Soler Ruiz-Boada, Corporate Compliance Officer, attended meetings occasionally.

#### c. Preparatory meetings

In addition to the meetings of the Company's Audit Committee held during the financial year 2023, its Chairman maintained regular contacts with the other members of the Committee, and held preparatory meetings with Javier Hergueta Vázquez, Company CFO, Félix Carbajo Olleros, Internal Audit Director, the Secretary and the External Auditor of the Company (Ernst & Young), in preparation for the corresponding sessions of the Audit Committee.

### 5. AUDIT COMMITTEE'S MAIN LINES OF ACTION

#### a. SUPERVISION OF THE PROCESS OF PREPARATION AND PUBLICATION OF PERIODIC FINANCIAL INFORMATION, ANNUAL ACCOUNTS, AUDIT REPORT AND NON-FINANCIAL INFORMATION STATEMENT

In accordance with article 17.4 of the Board Regulations and article 7 of the Audit Committee Regulations of the Company, the Audit Committee has carried out, pursuant to the legislation in force and best practices in the subject-matter, the supervision and assessment of the process of preparation and of the integrity of the financial and non-financial information, also prior to their approval by the Board of Directors on occasion of the relevant periodic presentations of results, in the context of the meetings (preparatory or otherwise) of that Committee and of the channels of communication open with the external auditor and internal heads, as appropriate, of the Company



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and of its Group.

In relation to the preparation of the financial information, the Audit Committee: (i) has reviewed the appropriate definition of the scope of consolidation and the correct application of the accounting standards, with the support and involvement of that Committee, of the external auditors and of the internal heads of the Company, as appropriate; (ii) has taken cognizance of the organization and planning of the work proposed by the external auditors and of the work performed and the results obtained through the reports presented to the Audit Committee; and (iii) has ensured that the external auditor has complete and permanent access to any information it requires to be able to provide its services, and also that it receives the maximum assistance and cooperation possible by the managers and heads of the Company and of the rest of the companies of the Group.

Moreover, the Committee has supervised the efficiency of the systems for Internal Control over Financial Reporting (“ICFR”), providing an account thereof in section F of the Annual Corporate Governance Report relating to financial year 2023, approved on February 26, 2024. The ICFR system was verified by the auditors, which also placed on record the issuance of the report without qualifications.

### **b. SUPERVISION OF THE PROCESS FOR THE SELECTION AND APPOINTMENT OF THE AUDITOR**

In accordance with article 17.4.c) of the Board of Directors Regulations, the Audit Committee has supervised the process for the selection and appointment of the external auditor to carry out the audit of the Annual Accounts of financial years 2024 through 2026.

In this regard, the auditor's engagement expired at the end of financial year 2022, so the Audit Committee resolved, at its meeting of April 26, 2023, to propose to the Company's Board of Directors to extend the appointment of the external auditor, Ernst & Young, S.L., in order for it to carry out the audit of the annual accounts of the Company and of its Consolidated Group for financial year 2023, maintaining the scope, time periods and fees of the preceding financial year. The Company's Board, at its meeting of April 26, 2023, resolved to submit that proposal to the Company's General Meeting, which approved that extension at its meeting on June 6, 2023.

In addition, for financial years 2024 through 2026, the Committee, rather than proposing to the Board to extend the term of the appointment of the external auditor, resolved, at its meeting of February 22, 2023, to carry out a process of selection, contracting and proposal of an auditor for the Company which would permit analyzing and studying the alternatives offered by the market, in order to choose the one that best adapted to the particularities of the Company, approving a calendar for the section of the external auditor and the specifications of the relevant tender.

Next, the different steps in the selection process were carried out and the big four audit firms in Spain were invited to participate by the technical committee formed by the Consolidation Director, the Information Security Director, the Purchasing Director, the Accounting Director and the Financial Director of the Prosegur Cash Group.

At the end of the selection process, the Audit Committee, at its meeting of April 26, 2023, after analyzing the information provided by the technical committee and in light of the proposals received from the different audit firms, issued its recommendation to re-elect Ernst & Young, S.L. for the audit of financial years 2024, 2025 and 2026. That proposal was approved by the Board of Directors on April 26, 2023, and submitted to the General Meeting, which approved it on June 6, 2023.

### **c. ETHICS CHANNEL SUPERVISION**



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The Audit Committee supervised, at all the ordinary meetings held during the financial year 2023, the operation of the Company's anonymous whistleblower channel, which can be used by anyone, even people outside Prosegur Cash (Ethics Channel).

In this regard, the Audit Committee has received and analyzed detailed information and monitored the resolution of complaints related to irregularities of potential significance due to breaches of the Code of Ethics and Conduct and to actions within the Group in application of the anti-fraud policies included in that Code.

All of the foregoing, in line with the provisions of article 17.4.n) of the Board Regulations.

### **d. SUPERVISION OF INTERNAL CONTROL, RISK MANAGEMENT AND INTERNAL AUDIT**

In accordance with article 17.4.g), i) and j) of the Board Regulations, one of the functions of the Audit Committee is to supervise the Company's internal control and risk management process and to supervise the Internal Audit of the Company.

The activities carried out by the Internal Audit Department in financial year 2023 supervised by the Audit Committee include most notably:

- Approval of the Annual Activity Report for 2022, with the follow-up and the conclusion and reporting on the projects contained in the Annual Work Plan for 2022.
- Determination and approval of the 2023 objectives, the focus of the Work Plan and its budget.
- Supervision of risk management and internal control of financial information.
- Receipt, analysis and conclusions on the communications received through the Ethics Channel.
- Preparation of quarterly reports on the monitoring of the recommendations agreed on in the internal audit work carried out according to the procedure established (for each incident, where necessary, one or more recommendations for its resolution are prepared and submitted to the audited area, specifying an action plan, the person responsible for implementing such plan and the expected date of resolution).

In addition, the Audit Committee has reviewed the results and conclusions of the critical risk assessment conducted on a quarterly basis by the Risk Committee, including non-financial risks.

The Committee has also specifically monitored the main risks which the Company faces to stay abreast of them and on which the Internal Audit Director has reported to the Committee at its meetings, such as anti-money laundering, cybersecurity, the status and management of labor risks in Brazil and the status and management of tax risks.

Lastly, the Audit Committee has considered that the operation of the internal audit area and the performance of its manager are appropriate and that they have complied with their duties and responsibilities during financial year 2023.

### **e. REGULATORY COMPLIANCE SUPERVISION**

In accordance with article 17.4.o) of the Board Regulations, the Audit Committee has reviewed and



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taken cognizance of and, where applicable, approved:

- The Annual Compliance Report for 2022, detailing the main milestones in relation to the Company's Regulatory Compliance Program supervised by the Compliance Committee, and which consists of five main sections: ethics and anti-corruption; antitrust; anti-money laundering; data protection; and dissemination and promotion of the compliance culture.
- The Annual Report and the Data Protection Activities Report for 2022, detailing the degree of achievement of the privacy strategic plan for financial years 2021 through 2023, centered on extending the Company's Privacy Management Model implemented in Europe to the rest of countries through the use of the Integrated Privacy System.

Also, the risk review carried out by the Risk Committee, the results of which are submitted to the Audit Committee, includes risks associated to regulatory compliance.

### 6. INDEPENDENCE OF THE EXTERNAL AUDITOR

In accordance with section article 529 *quaterdecies*, subarticle 4.f) of the revised text of the Spanish Corporate Enterprises Law, approved by Legislative Royal Decree 1/2010 of July 2, 2010, (the "**Corporate Enterprises Law**"), every year – before issuing the audit report – listed companies must issue a report expressing an opinion on whether the auditors' independence has been compromised. This report must contain a reasoned assessment of the provision of services other than those entailed in the statutory audit by the auditor, in relation to the rules on independence or to the legislation regulating the activity of auditors. Due to that, in the context of article 17.4.f) of the Board Regulations, the Audit Committee has approved this report in which it expresses its opinion on the independence of the auditor of the Company and of its consolidated Group in financial year 2023.

In this regard, in accordance with article 529 *quaterdecies*, subarticle 4.e) of the Corporate Enterprises Law, every year the Company must receive from the auditor a statement of its independence with respect to entities related to the Company. Moreover, the auditor shall provide detailed and itemized information on any other services provided to the Company or its Group, including the fees received, pursuant to the legislation regulating the activity of auditors. According to the foregoing, and pursuant to article 9.8 of the Audit Committee Regulations and article 529 *quaterdecies*, subarticle 4.e) of the Corporate Enterprises Law, on February 21, 2024 and, thus, prior to the meeting of the Company's Audit Committee on February 26, 2024, the Audit Committee received from the Company's auditor (Ernst & Young, S.L.) a draft statement of its independence in relation to the Company and its Group for financial year 2023 – the original signed copy has been delivered on February 26, 2024 (being the same as the draft provided) – where it states that:

- *"The audit engagement team, the accounts auditor or the audit company and, as appropriate, other persons belonging to the audit firm and, as the case may be, other firms of the network, with the extensions that apply, have met the requirements of independence that apply according to Audit Law 22/2015 of July 20, 2015, and Regulation (EU) no. 537/2014, of April 16, 2014."*
- *"We have internal policies and procedures in place, designed to provide reasonable security that the audit firm and its personnel and, as the case may be, other persons subject to independence requirements (including personnel from the firms of the network) maintain independence where so required by applicable legislation. These procedures include some aimed at identifying and evaluating threats that may arise from circumstances related to audited entities, including those which may entail grounds of conflict of interest and/or may require applying safeguard measures necessary to reduce threats to an acceptably low level. In this regard, according to our*

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*professional judgment and in relation to the specified audit, circumstances have not been identified, individually or as a whole, which could entail a significant threat to our independence and might, therefore, require applying the safeguard measures or entail grounds of conflict of interest.”*

Additionally, the letter includes the fees itemized by project, and the fees grouped by categories charged to the Company and to its related companies during the period covered by the annual accounts, for the audit services and other non-audit services provided by Ernst & Young, S.L. and by other firms of its network, to enable the Company to evaluate them in the context of the auditor’s independence, which are the following:

Services provided	Fees (thousands of euros)		
	Company	Controlled companies	Other related companies
Audit services	191	978	1,627
Other audit-related services	21	9	21
<b>Total audit and related services</b>	<b>212</b>	<b>987</b>	<b>1,648</b>
Tax services	-	11	215
Other services	44	3	46
<b>Total fees</b>	<b>256</b>	<b>1,001</b>	<b>1,909</b>

Moreover, in that letter, the auditor includes the itemized additional services of any kind provided along with the fees accrued, which are detailed as follows:

Company			(thousands of euros)
Other audit-related services	Report on review of ICFR of Prosegur Cash, S.A.		10
	Report on procedures adopted in relation to compliance of ratios by Prosegur Cash, S.A.		11
	<b>Total</b>		<b>21</b>
Other services	Report on verification of the NFIS of Prosegur Cash, S.A.		18
	Due Diligence services (non-tax) (received by Prosegur Cash, S.A.)		25
	<b>Total</b>		<b>44</b>
<b>TOTAL services provided to the Company</b>			<b>65</b>
CONTROLLED COMPANIES			
Other audit-related services	Limited due diligence services (Uruguay)		9
	<b>Total</b>		<b>9</b>
Tax services	Tax compliance assistance services (Philippines)		5
	Tax inspection services (El Salvador)		6
	<b>Total</b>		<b>11</b>
Other services	Services related to the review of anti-money laundering systems (Peru)		3
	<b>Total</b>		<b>3</b>



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**TOTAL services provided to controlled companies**

**24**

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		<b>OTHER RELATED COMPANIES</b>	
Other services	audit-related	Report on review of ICFR of Prosegur Compañía de Seguridad S.A.	10
		Report on procedures adopted in relation to compliance of ratios by Prosegur Compañía de Seguridad S.A.	11
		<b>Total</b>	<b>21</b>
Tax services		Tax advisory services. (Spain)	191
		Advice on the procedure of rectification of personal income tax returns and request of refund of amounts incorrectly paid to the tax authorities. (Spain)	21
		Tax advisory services. (Peru)	2
		<b>Total</b>	<b>215</b>
Other services		Report on verification of the NFIS of Gubel, SL and Subsidiaries	10
		Report on verification of NFIS of Prosegur Compañía de Seguridad S.A.	18
		Review by the auditor of the VAT on uncollectible receivables, on the terms established in local Portuguese legislation.	2
		Statutory audit services of the occupational risk prevention system. (Spain)	16
		<b>Total</b>	<b>46</b>
		<b>TOTAL services provided to related companies</b>	<b>282</b>

In accordance with internal regulations and the Corporate Enterprises Law, the Company's Audit Committee is the body in charge of, among other matters, supervising the independence of the auditor in the performance of its activity pursuant to legislation in force, for which purpose it establishes the appropriate relations with the auditor to receive information on any matters that might pose a threat to its independence. The Company's auditor was present at two meetings of the Company's Audit Committee, without reporting at either meeting on any circumstance that might have put its independence at risk.

Furthermore, in financial year 2023, and for the purposes of what is established in article 9.7 of the Audit Committee Regulations and article 529 *quaterdecies*, subarticle 4.e) of the Corporate Enterprises Law, the Company's Auditor provided, when required, and prior to the relevant meeting, a letter individually detailing the additional services on which prior approval was requested, and (i) confirming that, based on its analyses of the services, they were not subject to any conflict of interest in relation to auditor independence, such as those described in Audit Law 22/2015, in European Union Regulation 537/2014, in the Ethics Code issued by IESBA and in any other provision that might apply in its capacity as auditors of the Company and its Group; and (ii) stating that it had made an analysis of threats regarding those services, confirming that it had not identified in any of them significant threats to its independence as auditor such that would require implementing safeguards in addition to those derived from the actual nature of the scope of services.

The Audit Committee has assessed those services individually and as a whole at each of the aforementioned meetings, as appropriate, in relation to the rules on independence established by the legislation regulating the audit activity, in order to verify that they do not generate any significant threat to the auditor's independence and that their provision is not subject to any conflict of interest in relation to independence. After their assessment, individually and as a whole, the Audit Committee approved the potential provision of said services, always before they were actually provided, and notwithstanding the possibility that at times they might not be performed despite having obtained that prior approval.



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In accordance with article 9.9 of the Audit Committee Regulations and article 549 *quaterdecies*, subarticle 4.f) of the Corporate Enterprises Law, in view of the tasks performed by the external auditor during financial year 2023 – which are broken down hereinabove – considered individually and as a whole, and of the fees received by the external auditor for other non-audit services, both tax services and others, and in relation to the rules on independence and the legislation regulating the audit activity, the Audit Committee, before issuing the audit report on the annual accounts of the Company and of its Group, expressed a favorable opinion regarding the independence of the Company's external auditor.

In particular, in relation to the additional services other than those of statutory audit, both tax services and others, provided by the external auditor, and bearing in mind (i) the fees received by the external auditor for those services, considered individually and as a whole, on separate basis and also in relation to the fees received for audit services; (ii) the nature of the actual services provided, considered individually and as a whole; and (iii) that the auditors themselves have expressly stated that those services meet the requirements and legislation applicable as regards the auditor's independence and the performance of its activity, the Audit Committee's opinion is that the provision of those services, considered both individually and as a whole, does not compromise the independence of the external auditor.

The Audit Committee issues this report on independence prior to the submission of the auditor's report and in accordance with the Corporate Enterprises Law, the Company's Corporate Governance System and the Code of Good Governance.

### 7. FRAMEWORK AGREEMENT FOR RELATIONS WITH PROSEGUR COMPAÑÍA DE SEGURIDAD, S.A.

Prosegur Compañía de Seguridad, S.A. ("**PCS**", the controlling company of the "**Prosegur Group**") is a company listed in Spain which owns, directly and indirectly, 79.418% of the Company's share capital. In accordance with Recommendation 2 of the Code of Good Governance<sup>1</sup> of listed companies, approved by the National Securities Market Commission (the "**Code of Good Governance**") and in order to regulate the relations between the two, the Company and PCS signed the Framework Agreement on February 17, 2017, which was novated on March 16, 2021.

The Framework Agreement, the Board Regulations (in article 17.4.s)) and the Audit Committee Regulations (in article 13) attribute to the Audit Committee the responsibility of reporting on the compliance thereof.

In this regard, the Audit Committee has complied with the provisions of the Framework Agreement:

- by reporting in advance on the sections of the Company's periodic public information and annual corporate governance report that relate to the Framework Agreement;
- by reporting previously to the Board on related-party transactions between the Group and the Prosegur Group; and

<sup>1</sup> When the parent company and a subsidiary of it are both listed, they must both publicly and accurately define: a) The respective areas of activity and possible business relationships between them, as well as those of the listed subsidiary company with the other companies in the group; b) The mechanisms provided to resolve any conflicts of interest that may arise.



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- as regards the fulfillment of the Framework Agreement, by issuing this document.

There have been no situations during the financial year 2023 in which business opportunities were detected between the Company and the Prosegur Group, or proposals to amend the Framework Agreement, on which it was necessary for the Audit Committee to report.

Lastly, the Company has provided to PCS, diligently and within a reasonable period of time, in strict compliance with the Framework Agreement, the necessary information about the Company and its Group in order to enable PCS to comply with its legal and tax obligations and including, in particular:

- preparation of both separate and consolidated annual accounts and their interim financial statements;
- compliance with its one-off and periodic reporting obligations to the National Securities Market Commission and other authorities;
- design of the policy and coordination of the general strategies of the Prosegur Group, in which the Company is integrated;
- taxation under the tax consolidation regime;
- obtaining, maintaining and updating credit ratings and providing information to institutional investors and financial analysts; and
- compliance with obligations assumed in financing and securities issue agreements.

### 8. RELATED-PARTY TRANSACTIONS

In accordance with Title IX of the Board Regulations and article 14 of the Regulations of the Audit Committee (in addition to the Framework Agreement, as regards transactions with the Prosegur Group), the responsibilities of the Company's Audit Committee include reporting on certain transactions carried out with directors, with shareholders who, individually or jointly with others, hold a significant holding, including shareholders represented on the Board of Directors of the Company or of other companies of the Group, with persons related to them, or with any other persons that must be deemed related parties pursuant to International Accounting Standards, adopted according to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the Application of International Accounting Standards, prior to their approval by the Board of Directors.

Article 40 of the Regulations of the Board of Directors stipulates that:

- the responsibility for approving related-party transactions involving amounts equal to or greater than 10% of the total of all asset headings in the last annual balance sheet approved by the Company rests with the General Meeting.
- The Board of Directors formally reserves the approval, following a report by the Audit Committee, of all other related-party transactions.
- Under no circumstances shall a related-party transaction be authorized if a report by the Audit Committee has not been issued previously, except as provided in the following section. In its



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report, the Audit Committee must evaluate whether the transaction is fair and reasonable from the standpoint of the Company and, where applicable, of the shareholders other than the related party, and must report on the assumptions on which the evaluation is based and on the methods used. The affected directors may not participate in the drafting of the report.

- The authorization of the Board of Directors shall not be required for transactions that simultaneously meet any of the following requirements: (i) they are transactions between companies forming part of the same group that are performed in the ordinary course of business and on arm's length conditions; or (ii) they are arranged under agreements whose standard conditions are applied across-the-board to a significant number of clients, which are performed at prices or tariffs that are generally established by the party acting as supplier or service provider in question, and the amount of which does not exceed 0.5 percent of the Company's net revenue.

These types of transactions do not require a prior report from the Audit Committee. However, the Board of Directors must establish an internal procedure of periodic reporting and control of related party transactions in which the Audit Committee must participate in order to verify the fairness and transparency of such transactions and, where applicable, the fulfillment of the legal criteria applicable to the foregoing exceptions.

The Committee shall prepare this report on related-party transactions in accordance with the provisions referred to above.

During financial year 2023, the Board of Directors approved the performance of the following related-party transactions with the Prosegur Group, all of which were approved or ratified by the Board of Directors based on a favorable report from the Audit Committee assessing the transaction in particular, among others from the point of view of equal treatment of shareholders, or which are carried out under framework agreements or parameters and procedures previously approved by the Board based on a favorable report from the Audit Committee:

- installation of LEDS, photovoltaic facilities and control installations in buildings occupied by the Company (beneficiary of potential savings generated by energy efficiency measures) and which are owned by Prosegur Gestión de Activos, S.L. (a subsidiary of Prosegur Compañía de Seguridad, S.A.).
- Reactivation, for an additional one-year period, of the Framework Agreement for the payment to suppliers of Prosegur Cash Argentina in foreign currency by a company of the Prosegur Group, in exchange for the payment of a similar amount in Argentinean pesos to Prosegur Argentina by Prosegur Cash Argentina.
- Transfer to the Company of employees of the Prosegur Compañía de Seguridad Group as part of the process of internalizing the direct management of certain areas which hitherto had been outsourced to the Prosegur Compañía de Seguridad Group.
- Formalization of new real estate lease agreements or novation of existing ones, between Prosegur Gestión de Activos, S.L. (a Prosegur Group subsidiary) or one of its subsidiaries, as real estate owner and lessor, and the Company or one of its subsidiaries, as lessee, according to the clauses of the framework lease agreement of January 1, 2017.
- Execution of a series of combined works between Prosegur Gestión de Activos, S.L. (a Prosegur Group subsidiary), as real estate owner and lessor, and the Company and its



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subsidiaries, as lessees, on the terms of the framework agreement for combined works approved by the Board of Directors on April 25, 2018.

- Various updates of the management support services agreement between Prosegur Gestión de Activos, S.L. (a Prosegur Group subsidiary) and its subsidiaries that provide management support services, and the Company and its subsidiaries, dated August 1, 2016.
- Formalization of a sublease agreement in favor of Securpro (a Prosegur Group subsidiary) on a building previously leased to Prosegur Brasil S/A Transporte de Valores e Segurança (subsidiary of the Company's Group).
- Authorization to negotiate, based on parameters established previously, and formalize sublease agreements on vacant spaces in several of the Company's premises in Brazil in favor of other companies of the Prosegur Group.
- Change of lessor in the agreement regarding the related-party leases to Proactinmo, S.L.U. (subcontracted by Gubel, S.L.), approved on February 25, 2019, which went from being a direct lease with that company to being structured as a sublease through Prosegur Gestión de Activos, S.L. (a Prosegur Group subsidiary).
- Update of the annex to the trademark license agreement between Prosegur Compañía de Seguridad, S.A. and the Company, dated January 1, 2017.
- Execution of a joint mandate by Prosegur Compañía de Seguridad, S.A. and the Company to an independent expert, to advise them on the determination of the correct remuneration of the Prosegur trademark, and on the negotiation of agreements with the tax authorities regarding that remuneration.
- Potential acquisition of tax losses from Securpro (Prosegur Group subsidiary) pursuant to a potential tax agreement with the Procuraduría General Brasileña in the context of managing the tax litigation of Transpev Transporte.
- Offset of accounts receivable and payable of the Company's Argentinean subsidiaries that provide services to and receive services from other Prosegur Group companies, as a way to cancel amounts owed between them, and for which purpose, in order to determine the equivalences between balances denominated in different currency, the conversions are made at the official exchange rates applicable on the date of the offset, all of the foregoing through the signature of a "Services Export Offset Agreement."
- Performance of the following transactions: (i) acquisition from Prosegur, S.A. (Prosegur Group subsidiary) by Transportadora de Caudales Juncadella, S.A. ("TCJ") of assets and liabilities and assumption of the employees necessary to carry out certain management support services; (ii) grant by Prosegur, S.A. to TCJ of a software license in relation to the provision of said services; (iii) provision by TCJ of development and maintenance services relating to that software to Prosegur, S.A.; (iv) centralization in Prosegur Gestión de Activos, S.L. (Prosegur Group subsidiary) of the provision and billing of management support services to the rest of countries and businesses receiving those services, and subcontracting by Prosegur Gestión de Activos, S.L. to TCJ of some of those services; and (v) assignment of certain intercompany balances.

The economic details of the related-party transactions (including these ones), insofar as they have had an impact on financial year 2023, are included in the explanatory report of the annual accounts



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and in the Annual Corporate Governance Report of the Company for financial year 2023.

The respective reports of the Audit Committee and the approvals by the Board of Directors of the aforementioned related-party transactions have been carried out with the abstention of the nominee directors appointed to represent PCS.

### 9. ASSESSMENT OF THE AUDIT COMMITTEE'S OPERATION AND PERFORMANCE

In accordance with article 529 *nonies* of the Corporate Enterprises Law and Recommendation 36 of the Code of Good Governance, an assessment has been made of the annual performance and efficacy of the operation of the Company's Audit Committee and of its members.

The Audit Committee considers that it has carried out its duties and fulfilled its responsibilities with diligence, efficiency, quality and professionalism, in compliance with the provisions of the Regulations of the Board of Directors and the Audit Committee. The Committee also values very positively the individual performance and contribution of each of its members.

For the assessment relating to financial year 2023, Deloitte Legal acted as external advisor in the process.

### 10. PUBLICATION OF THE REPORT

This report, which has been approved on February 26, 2024, will be published on the Company's website sufficiently in advance of the holding of the Annual General Meeting, in accordance with Recommendation 6 of the Code of Good Governance.



## ANNEX I – RESPONSIBILITIES OF THE AUDIT COMMITTEE

### **Article 7. In relation to the General Shareholders' Meeting**

*The Audit Committee shall inform the General Shareholders' Meeting regarding the questions that are formulated in respect of the matters for which the Committee is competent and, in particular, regarding the result of the audit, and to explain how the audit has contributed to the integrity of the financial reporting and the function that the Committee has performed in said process.*

### **Article 8. In relation to the financial information**

*The Audit Committee has the powers to provide information, advice and proposals in relation to the Company's financial information:*

- 1. Ensuring that the annual accounts which the Board of Directors presents to the General Meeting are prepared in accordance with accounting rules and standards (...) In exceptional cases in which the auditor has included a qualification or reservation in its audit report, the Chairman of the Audit Committee shall clearly explain to the General Meeting the opinion of the Audit Committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.*
- 2. Oversee and evaluate the preparation and presentation of mandatory financial information and submit recommendations or proposals to the Board of Directors aimed at safeguarding integrity. In this regard, the Committee is responsible for overseeing and evaluating the preparation and integrity of the financial and non-financial reporting as well as the systems for control and management of financial and non-financial risk in relation to the Company and the Group, including operating, technological, legal, social, environmental, political and reputational risks or those related to corruption, and review compliance with regulations, and ensure correct delimitation of the consolidation perimeter and the correct application of accounting criteria, duly informing the Board of Directors.*
- 3. Report in advance to the Board of Directors on the financial information which the Company must make public periodically.*

### **Article 9.- In relation to the external auditor:**

*The Audit Committee has the following reporting, advisory and proposal authorities with respect to the auditor:*

- 1. Present to the Board of Directors the proposals for the selection, appointment, re-election and substitution of the external auditor, and the Audit Committee shall be responsible for the selection process in accordance with applicable law, as well as the terms and conditions of the contracting thereof and to regularly request and obtain from the auditor information regarding the audit plan and the execution thereof, and to preserve the independence thereof in the exercise of its functions*
- 2. In the event that the external auditor resigns, examine the circumstances which caused said resignation.*



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3. *Ensure that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.*
4. *Ensure that the Company reports to the Spanish National Securities Market Commission when there is a change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.*
5. *Ensure that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks accomplished and regarding the development of its accounting and risks faced by the Company.*
6. *Monitor compliance with the audit agreement, ensuring that the opinion on the annual accounts and the main content of the audit report are drafted in a clear and precise manner.*
7. *Ensure that the Company and the external auditor comply with applicable rules regarding the rendering of services other than auditing, proportional limits on the auditor's billing, and all other rules regarding the auditor's independence.*
8. *Establish the relationships and contacts with the external auditor in order to receive information regarding any questions that may represent a threat to the independence thereof, for the examination of said questions by the Committee, and any other matters related to the accounts auditing procedures, and, where applicable, the authorization of the services other than the prohibited services, in the terms provided for at law, as well as any other communications provided for under accounts audit legislation and under audit regulations. In any event, the Audit Committee must receive from the accounts auditor, on an annual basis, the declaration of the independence thereof in relation to the Company and the entities directly or indirectly related thereto, as well as the detailed and itemized information regarding the additional services of any type whatsoever that have been provided and the corresponding professional fees received from said entities by the auditor, or by the persons or entities related thereto in accordance with the provisions of applicable regulations.*
9. *Issue, annually, prior to the release of the accounts audit report, a report that sets out an opinion as to whether the independence of the accounts auditor has been compromised. Said report must contain, in any event, the justified valuation of the provision of each and every one of the additional services referred to under the preceding paragraph, both individually and as a whole, other than for the legal audit and in relation to the regime of independence or the audit regulations.*

### **Article 10. In relation to the internal audit area**

The Audit Committee has the following reporting, advisory and proposal authorities with respect to the internal audit area:

1. *Ensure the independence and effectiveness of the Company's internal audit area, which will functionally depend on the Chairman of the Audit Committee.*
2. *Propose the selection, appointing and dismissal of the head of the internal audit area.*
3. *Propose the budget of the internal audit area.*
4. *Approve or propose approval to the Board of Directors of the guidance and annual work plan of the internal audit area and the annual activity report, ensuring that its activity is mainly*





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*focused on relevant risks (including reputational ones).*

5. *Receive information about the activities of the internal audit area on a regular basis.*
6. *Verify that senior management takes the conclusions and recommendations in the internal audit area reports into account.*
7. *Assess the operations of the internal audit area and the performance of its manager, for which the Audit Committee will seek the opinion of the Chief Executive Officer and the Chief Financial Officer of the Company.*

### **Article 11. In relation to the internal control and risk systems**

*The Audit Committee has the powers to provide information, advice and proposals in relation to the internal control and risks systems:*

1. *Promote, always within its competences, a culture in which risk is a factor that is taken into account in all decisions and at all levels across the Company.*
2. *Oversee the efficacy of the Company's internal control and the risk management systems (including tax risks) and discuss any significant weaknesses of the internal control system with the account auditor which have been detected during auditing. Independence must never be compromised. For these purposes, and when appropriate, the Committee may submit recommendations or proposals to the Board of Directors and indicate the time period for follow-up.*
3. *Propose the risk control and management policy to the Board of Directors. This policy must at least identify or determine: (i) the different types of financial or non-financial risks (operational, technological, financial, legal, social, environmental, political and reputational risks or those related to corruption) to which the Company is exposed, including among the financial or economic risks contingent liabilities and other off-balance-sheet risks; (ii) a risk control and management model based on different levels which includes a specialized risk committee where the industry standards so establish or the Company deems appropriate; (iii) the establishing of the risk level which the Company deems to be acceptable; (iv) the measures for mitigating the impact of identified risks were they to materialize; and (v) the control and reporting systems used to control and manage said risks.”*
4. *Supervise the functioning of the risk management and control unit of the Company that is responsible for: (i) ensuring the proper functioning of the risk management and control systems and, in particular, that all of the significant risks that affect the Company are identified, managed and adequately quantified; (ii) actively participating in the drafting of the risk strategy and the important decisions regarding the management thereof; and (iii) ensuring that the risk management and control systems adequately mitigate the risks in accordance with the policy defined by the Board of Directors.*
5. *Ensure, in general, that the internal control policies and systems are applied effectively in practice.*

### **Article 12. In relation to overseeing compliance**

*The Audit Committee has the following reporting, advisory and proposal authorities in relation to the*



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*supervision of compliance:*

- 1. Receive information and, when appropriate, generate a report about all the actions and decisions made by the Regulatory Compliance Division when performing its duties, and in particular, pursuant to the Company's Internal Code of Conduct in matters relating to the Securities Market.*
- 2. Establish and supervise a system that enables employees and other individuals related to the Company, such as directors, shareholders, suppliers, contractors or subcontractors, to communicate irregularities of potential importance, including any financial and accounting irregularities, or any other kind, related to the Company that are detected within the Company or its Group. That mechanism must guarantee confidentiality and, in any case, establish cases in which communications may be made anonymously, respecting the rights of the accuser and the accused.*

### **Article 13. In relation to the Framework Agreement**

*The Audit and Compliance Committee has the powers to provide information, advice and proposals in relation to the framework agreement of relations between the Company and Prosegur Compañía de Seguridad, S.A. (the “**Framework Agreement**”):*

- 1. Previously inform, in relation to the essential aspects thereof (price, term and purpose), about the related-party transactions between the Company and Prosegur Compañía de Seguridad, S.A., or between any of the companies of their respective groups, the approval of which is reserved for the Board of Directors in accordance with the Framework Agreement.*
- 2. Previously inform about the aspects of the periodic public information and the annual corporate governance report of the Company that refer to the Framework Agreement and to the related party transactions between the Group and the Prosegur Group.*
- 3. Inform about the situations in which business opportunities simultaneously exist in relation to the companies of the Group and the Prosegur Group and to supervise the due compliance of the provisions of the Framework Agreement regarding the matter.*
- 4. Periodically inform about the compliance of the Framework Agreement.*
- 5. Report previously on any proposal for the amendment of the Framework Agreement, as well as potential settlement proposals aimed at resolving the disagreements that may arise between the signatory parties thereof, by reason of the application thereof.*

### **Article 14.- Other competencies**

*Without prejudice to any other tasks that may be assigned by law, the Bylaws or the Board of Directors, the Audit Committee also has the following powers of information, advice and proposal:*

- 1. Analyze and inform about the economic conditions, the accounting impacts and, as the case may be, the proposed exchange ratio for the structural and corporate modification operations that are to be carried out by the Company, prior to being presented to the Board of Directors.*
- 2. Inform the Board of Directors in advance about all the matters provided for by law and the Bylaws, and in particular about the creation or acquisition of equity participation in special purpose*



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*vehicles or companies headquartered in countries or territories that are considered to be tax havens.*

3. *Review the share issue prospectuses and any other relevant information that must be provided by the Board of Directors to the markets and the regulatory bodies thereof*
4. *Report on related-party transactions and, in general, on the corresponding matters, in accordance with Title IX of the Regulations of the Board of Directors.*
5. *Supervise the application of the general policy on the reporting of financial and non-financial and corporate information and the communication with shareholders and investors, proxy advisors and other interest groups. Moreover, monitor the Company's form of communication and relationship with small and medium-size shareholders.*