

Internal Audit Charter

**Approved by the Board of Directors
of El Corte Inglés, S.A.
on 1 November 2018
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I. INTRODUCTION

By resolution of its Board of Directors, El Corte Inglés, in its capacity as a Public Interest Entity pursuant to the provisions of Law 22/2015, of 20 July, on Auditing, and Royal Decree 2/2021, of 12 January, amending the Regulations thereof, has expressed its commitment to adhering to the best practices of corporate governance and complying with the requirements and recommendations established by the regulatory authorities, particularly those outlined in Technical Guide 1/2024, of 27 June, issued by the National Securities Market Commission (CNMV).

In accordance with best practice, the Board of Directors has approved the Regulations of its Audit and Control Committee, granting it the authority to supervise the functions of Internal Audit, Compliance, Internal Control, and Risk Management (see **ANNEX 1**, Roles and Responsibilities of the Audit and Control Committee with Regard to Internal Auditing).

At the proposal of the Audit and Control Committee, in the development of the above powers, the Board of Directors has agreed to integrate the Internal Audit Function as a core component of its Governance System, in accordance with the principles set out in this Charter, which will become part of the ECI Group's corporate governance system once approved.

The Internal Audit Function is an independent area or unit within the Organisation that uses a systematic, disciplined and proactive analysis in order to:

- (i) Assess, evaluate and continuously monitor the following:
 - a. the effectiveness of the Group's internal control system, providing reasonable assurance regarding the efficient and effective use of resources, as well as the reliability and consistency of accounting and management information,
 - b. compliance with applicable internal and external regulations, including the prevention of fraud, corruption, illicit activities, and money laundering,
 - c. the management of risks to which the Group is exposed, and
 - d. the adequacy of the Group's governance system,
- (ii) Provide advice that adds value and improves operational efficiency.
- (iii) Support the Organisation by making recommendations and monitoring their implementation, thereby contributing to the achievement of strategic objectives and the improvement of the control environment and management practices.

II. LEGAL FRAMEWORK

This document is governed by Law 22/2015, of 20 July, on Auditing and other relevant national and European legislation.

- (i) The International Framework for the Professional Practice of Internal Auditing, which comprises:
 - a. the International Standards for the Professional Practice of Internal Auditing, and

- b. the Code of Ethics of the Institute of Internal Auditors,
- (ii) The best practices and the requirements and recommendations of national and European regulators on corporate governance and, particularly those set out in Technical Guide 1/2024, of 27 June, issued by the National Securities Market Commission (CNMV) on Audit Committees of Public Interest Entities and the recommendations of the Code of Good Governance of listed companies.
- (iii) Regulations of the Audit and Control Committee of El Corte Inglés.

III. PURPOSE OF THE INTERNAL AUDIT CHARTER

The purpose of this Charter is to define the framework for the Internal Audit activity in the ECI Group and, consequently:

- (i) Set the objectives of the Internal Audit Function, promoting a wide range of value-added activities aimed at improving ECI Group's systems, processes and operations,
- (ii) Define the basic principles that govern the Internal Audit function within the ECI Group,
- (iii) Guarantee the Internal Audit Function unrestricted access to information and complete independence, and
- (iv) Provide a framework for the activities of the Internal Audit Function, defining its position within the Organisation, delimiting its scope of action and relations with other functions and areas, and providing it with the human, material and technological resources necessary for this purpose.

IV. ACTIVITIES AND PURPOSE OF THE INTERNAL AUDIT FUNCTION

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation achieve its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, internal control, and corporate governance processes and systems.

In alignment with the activities outlined in international professional practices, the Audit and Control Committee of El Corte Inglés has defined the following objectives for the Group's Internal Audit Function, organised by area of activity:

IV.A PROCESS ANALYSIS

In this area of activity, the Internal Audit Function shall apply its systematic, disciplined, and proactive analysis methodology to provide recommendations for improving the efficiency and control of the Group's processes, including sales, procurement, supply, and other areas.

IV.B ASSESSMENT OF INTERNAL CONTROL

While the Internal Audit Function is part of the Group's control system, it is not responsible for performing control processes or operating the controls in place, as this

would compromise its independence. The objective and role of this function is to assist the Organisation in maintaining effective controls by evaluating the design and effectiveness of controls, and by proposing recommendations for improvement.

It is also responsible for ensuring the reliability and quality of the economic, financial, sustainability, and management information presented to Senior Management by company bodies, as well as for contributing to the improvement of information control systems (SCIIF, SCIINF or similar).

IV.C RISK MANAGEMENT ANALYSIS

The role of the Internal Audit Function in this area of activity is to assist senior management in the risk management process by conducting reviews, assessments, reporting, and making recommendations to improve the effectiveness and efficiency of the risk management process.

As an advisory body, the Internal Audit Function may promote or assist in the implementation of risk management methodologies and controls, while acknowledging that risk management is the responsibility of the Management team, as delegated by the Board of Directors.

Its objectives in this regard are to assist the Organisation in:

- i. evaluating the effectiveness of the risk management policy and system and its integration into the decision-making process,
- ii. identifying risks that may not be included in the Group's risk map,
- iii. determining whether the selected risk responses align with the Organisation's risk tolerance, and
- iv. alerting the Organisation to emerging risks, as well as risks that have not been adequately addressed.

IV.D COMPLIANCE MONITORING

This includes activities related to Regulatory Compliance, both with applicable legislation and the Group's internal regulations.

The objectives of the Internal Audit Function in this regard are as follows:

- i. assessing compliance with applicable legal and administrative regulations,
- ii. evaluating the adequacy and suitability of the Group's internal rules and regulations, and
- iii. monitoring the effectiveness of the procedures in place to ensure compliance with regulations.

In fulfilling its regulatory compliance monitoring duties, the Internal Audit Function will assess the extent to which the Group complies with current legislation.

IV.E ANALYSIS OF CORPORATE GOVERNANCE

This includes efforts aimed at ensuring the efficacy and optimal operation of information systems, internal controls, and the core functions of the governance system.

The Internal Audit Function's objectives in this area are to contribute to improvements in the Organisation's governance process by proposing improvements in the systems that shape it, as well as to the relevant policies and manuals in order to:

- i. facilitate strategic and operational decision-making,
- ii. communicate relevant information on risks and controls to the appropriate areas,
- iii. promote appropriate ethics and values within the Group,
- iv. encourage the segregation of duties, and
- v. coordinate communication between the Board of Directors, the Audit and Control Committee, senior management, external auditors, and other assurance providers.

With regard to the creation or modification of internal standards, the Internal Audit Function may be consulted to evaluate and recommend them. However, it is not responsible for their development or implementation. It is, however, responsible for their subsequent monitoring.

IV.F IMPLEMENTATION OF CONSULTANCY AND ADVISORY PROJECTS

The Internal Audit Function's objective in this area of activity is to add value to the Organisation through operational or management analysis, with the aim of improving:

- vi. the efficiency of business management,
- vii. cost optimisation and control systems,
- viii. the effectiveness and efficiency of processes,
- ix. risk management,
- x. internal control,
- xi. compliance with applicable regulations, and
- xii. the Group's Corporate Governance.

Furthermore, it may assess or offer advice when necessary in relation to the preparation of:

- i. economic and financial planning,
- ii. business plans,
- iii. restructuring, cost-cutting, or budgetary control plans,

- iv. analysis of the viability of business units, activities or companies
- v. company acquisition transactions, and
- vi. other work of a similar nature.

The performance of consulting or advisory activities must, at no time, be detrimental to the core objective of the Function, which is to provide reasonable assurance on the effectiveness and efficiency of the risk management, internal control, and corporate governance systems.

In light of the aforementioned activities, the Internal Audit Function is required to:

- (i) inform the Board of Directors and the Audit and Control Committee, as well as, where appropriate, senior management or the relevant bodies that have requested their action, of any incidents detected during the course of their work, and
- (ii) propose actions, improvements, or recommendations to remedy such incidents, and oversee their effective implementation.

To achieve these objectives, the Internal Audit Function must adopt a proactive approach to identifying and proposing improvements to processes, internal control systems, risk management, and corporate governance.

It is also required to coordinate its efforts and collaborate with external auditors and/or other internal and external providers of assurance services, as well as other non-operational parties that may be involved in work related to the Organisation's internal control systems. With regard to the auditor's role, the Internal Audit Function should assess their suitability for non-auditing tasks. If such tasks are to be performed, it is essential to ensure that the external auditor remains professionally independent in accordance with applicable laws and regulations.

V. POSITION WITHIN THE ORGANISATION AND POWERS

The Board of Directors of El Corte Inglés has agreed to integrate the Internal Audit Function as a core component of its Governance System. Therefore, it is essential that the function is positioned appropriately within the organisational structure, that its responsibilities are clearly defined, and that its powers are established when performing its tasks.

It is therefore essential that the Internal Audit Function in the ECI Group:

- (i) Report hierarchically and functionally to the Board of Directors through the Audit and Control Committee of El Corte Inglés, with no hierarchical or functional links to the audited units or areas.
- (ii) Obtain approval from the Audit and Control Committee for all documents requiring countersignature to ensure the proper performance of its work.
- (iii) Maintain a position of independence with respect to the activities it evaluates, taking no responsibility for the operations. This means it has no executive authority or competence over the business areas or activities of the El Corte Inglés Group, except for monitoring and controlling the implementation of improvements and recommendations made.

- (iv) Inform the Audit and Compliance Committee of any circumstances that could compromise its independence or objectivity.
- (v) Align with the best practices and recommendations of national and European supervisors, and comply with the International Framework for the Professional Practice of Internal Auditing, wherever possible.
- (vi) Have the economic, human, and material resources necessary to carry out its activities, as well as the technology required to do so efficiently and effectively.
- (vii) Have an Internal Audit Director (IAD) expressly appointed by the Board of Directors of El Corte Inglés, following the recommendation of the Audit and Control Committee, who shall attend its meetings regularly.
- (viii) Have the authority, or as the case may be, the obligation, to seek external advice to ensure the optimal performance of its work, subject to prior notification and approval by the Audit and Control Committee.
- (ix) Promote the establishment of appropriate success indicators to ensure value-added contributions to the Group.
- (x) Be expressly authorised, at all times and in accordance with prevailing legislation, to review and examine all operations, documents, and records deemed necessary for the fulfilment of its duties, with free access to all areas and units of the organisation, following appropriate notification to the relevant managers or depositaries.
- (xi) Be kept fully informed about all relevant aspects for the performance of its activity, including the approval of new internal regulations or changes in current regulations, the detection of control deficiencies, the materialisation of significant risks and losses, and the evolution and progress of results and business, etc.
- (xii) Immediately inform the Audit and Control Committee of any obstacle or attempt to hinder the performance of its duties.

VI. TECHNICAL QUALIFICATION, PROFESSIONAL TRAINING AND INTEGRITY OF THE EL CORTE INGLÉS GROUP'S INTERNAL AUDITORS

All members of the Internal Audit Function shall have or acquire the technical qualifications and professional training necessary to effectively carry out their responsibilities..

To this end:

- (i) Internal auditors should have the appropriate skills, in terms of technical qualifications and professional training, to fulfil their specific roles and responsibilities. Individuals with a suitable level of education and practical audit experience gained from previous roles are considered to have the technical knowledge and professional competence necessary for fulfilling their duties.

All members of the Internal Audit Department must have the requisite training and experience in line with their professional category and area of specialisation.

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- (ii) Internal auditors shall also demonstrate strong communication skills, both oral and written, to clearly and effectively communicate the objectives, assessments, conclusions and recommendations derived from their work
 - (iii) The Chief Internal Audit Officer shall meet the academic, knowledge, and professional experience requirements set out in applicable regulations and best practices, ensuring the technical skills required for the performance of their duties..
 - (iv) In addition to possessing the necessary expertise, Internal Audit professionals must continuously develop and enhance their knowledge of standards, techniques, disciplines, methodologies, and tools that enable them to fulfil their responsibilities and meet their objectives to the highest possible standards. To support this, training programmes, both internal and external, should be provided, along with career development plans that foster skill growth and remuneration structures that align with individual achievements.
 - (v) The Chief Internal Audit Officer shall ensure that the technical qualification and professional skills requirements outlined in this Charter are met for recruitment or internal promotion. They must also establish professional career plans and ensure compliance with training programmes.
 - (vi) The Chief Internal Audit Officer shall also ensure that internal auditors have access to competent advice and assistance, should they require it to enhance their knowledge or skills in order to perform their duties fully or partially.

Furthermore, internal auditors must maintain an exemplary professional standing to ensure their work is carried out with independence, objectivity, and impartiality.

To this end:

- (i) Internal auditors shall adhere to the recommended standards of integrity, honesty, accountability, diligence, and proactive behaviour, in accordance with good practices.
- (ii) The Chief Internal Audit Officer shall meet the standards of good reputation as required by regulations or recommended by applicable best practices.
- (iii) All internal auditors must comply with the Code of Ethics and with the internal regulations of the El Corte Inglés Group, particularly regarding the prevention of potential conflicts of interest.

Prior to appointment by the Board of Directors following a recommendation from the Audit and Compliance Committee, the candidate for the role of Chief Internal Audit Function shall be deemed to meet the required standards of competence and reputation as set out in the relevant regulations.

VII. WORK AND INFORMATION PROCESSES AND PROCEDURES OF THE FUNCTION

VII.A INTERNAL AUDIT PLAN

The Internal Audit Function shall determine, execute and follow an Audit Plan, which shall set out the audit work to be performed in the fiscal year and take into account the

Group's activities and the entire Corporate Governance system. A risk-based approach should be taken to determine priorities, with the plan then being submitted to the Audit and Control Committee for approval.

The Internal Audit Function shall develop, execute, and monitor an Audit Plan that outlines the audit work to be performed during the fiscal year. This plan should consider the Group's activities and the entirety of its Corporate Governance system. A risk-based approach will be applied to prioritize audits, with the plan subsequently submitted to the Audit and Control Committee for approval.

The regulations shall define the plan's frequency, minimum content, and the necessary approval requirements.

VII.B WORK PROGRAMMES AND COLLABORATION PLANS

To ensure the successful achievement of the Audit Plan's objectives, each audit must have a clearly defined work programme outlining the specific audit tests to be conducted.

The work programmes must define the nature and scope of the audit tests to be undertaken in sufficient detail to cover all the audit objectives. However, the programmes may be adapted and updated as the fieldwork progresses and areas requiring further development are identified.

The work programmes are an internal tool of the Internal Audit Function and, unless there is a valid reason for doing so, they should not be shared with the audited areas.

To facilitate the efficient development of the work programmes over time, a Collaboration Plan should be created, including the initial information required from the audited areas prior to or at the start of the audits. This will allow the Internal Audit team to plan the audit work and begin fieldwork, without prejudice to requesting additional supporting documentation and evidence as necessary.

VII.C WORKING PAPERS

The work performed by the Internal Audit Function shall be documented in paper and/or electronic records, which should include, where appropriate, photocopies of documents and extracts from databases. These records must also contain sufficient objective evidence and be detailed enough to rigorously support the conclusions reached.

The minimum requirements for the review and quality control of the working papers, as well as their filing and custody procedures, shall be specified in the regulations.

VII.D REPORTS

The findings of the audit work shall be documented in written reports that provide a clear, accurate, and sufficiently detailed account of the following:

- (i) Description of the activities or operations that have been audited, along with the reasons for the review.
- (ii) Background and circumstances to provide the reader with sufficient understanding of the event or transaction under review.

- (iii) Intended objectives.
- (iv) Scope of work (systems, processes, records, time period, etc.), which should be sufficient to achieve the intended objectives.
- (v) Limitations to the scope of work that may arise during the course of the audit.
- (vi) Exceptions, errors, qualifications or problems identified, including precise indications at a qualitative and quantitative level.
- (vii) Uncertainties and other relevant aspects detected, if any, clearly stating their nature and extent.
- (viii) Conclusions of the work.
- (ix) Suggestions and/or recommendations for improvement, indicating both their potential impact and the maximum timeframe for implementation by the relevant managers.

Upon completion of the review of a specific activity or area, the resulting reports shall be shared with the relevant managers, who shall have the opportunity to provide feedback in accordance with the established procedure.

Prior to issuance, each report must undergo specific quality control procedures, which typically include criteria such as objectivity, accuracy, timeliness, precision, and truthfulness.

At least once a year, the Internal Audit Function shall (i) present to the Audit and Control Committee a summary of the conclusions of the reports issued during the year, (ii) submit a report on the degree of compliance with the Audit Plan and the degree of implementation of recommendations or resolution of deficiencies identified in previous years, and (iii) provide a statement regarding its independence, technical capacity, available resources and freedom of access to information in the course of its work.

The method of recording and filing reports issued by the Internal Audit Function shall be set out in the relevant regulations.

VII.E RESOURCE ALLOCATION PLANNING

The regulations shall specify the procedure for monitoring the resources utilised in audit projects or assignments through the implementation of effective resource planning mechanisms.

VII.F QUALITY CONTROL

The Internal Audit Function of the El Corte Inglés Group is committed to continuous improvement through the implementation of a quality assurance and improvement programme, which includes an external assessment conducted by a qualified and independent assessor or assessment team at least once every five years.

VII.G FOLLOW-UP OF RECOMMENDATIONS

The Audit Function of the El Corte Inglés Group shall consistently monitor the degree of implementation of the recommendations outlined in its audit reports. The results of this follow-up shall be presented to the Audit and Control Committee on a monthly basis.

VIII. SPECIFIC OBLIGATIONS AND POWERS OF INTERNAL AUDITORS

In accordance with the International Framework for the Professional Practice of Internal Auditing and European directives, the Internal Audit Function shall be granted the authority to obtain comprehensive and unrestricted information. This includes the timely provision of all necessary data, access to essential documentation, and the ability to examine the company's activities and processes relevant to fulfilling its responsibilities.

Internal Audit personnel shall have unrestricted access to all Group records, documents, files, and data, including information on management and minutes from decision-making processes of any corporate or executive bodies, where such access is required for the performance of their duties. All necessary precautions shall be taken to ensure the confidentiality of this information. Access shall also be granted to all relevant documentary and computer records, as well as Group property, that are necessary to complete the assigned work effectively and efficiently. This may include the establishment of permanent computer connections with the information systems of the companies that comprise the El Corte Inglés Group, if deemed necessary.

In carrying out their duties, internal auditors shall be duly supported by the heads of the companies and areas under review. Furthermore, auditors shall receive all necessary assistance, cooperation, and information from all areas and companies within the Group. Where appropriate, and owing to the specialised nature of certain matters, the involvement of employees from these areas or companies may be required to provide relevant advice, assistance, and input directly and confidentially.

Internal auditors shall conduct their duties in compliance with the Code of Ethics of the El Corte Inglés Group, as well as the Code of Ethics of the Institute of Internal Auditors.

The Internal Audit Function has specific obligations, which include the following:

VIII.A OBLIGATIONS

- a. Comply with the Code of Ethics, the specific regulations on conflicts of interest and other internal regulations of the El Corte Inglés Group.
- b. Adhere to the Code of Ethics of the Institute of Internal Auditors.
- c. Follow best practices in the execution of its activities.
- d. Demonstrate professional qualities to foster positive relations with stakeholders, and possess strong verbal and written communication skills to clearly and effectively convey objectives, assessments, conclusions, and recommendations.
- e. Develop and enhance knowledge of standards, techniques, disciplines, methodologies, and tools to fulfil responsibilities and meet objectives to the highest quality standards.

- f. Conduct activities with honesty, responsibility, diligence, and a proactive approach.
- g. Perform tasks in a professional and competent manner by:
 - (i) Engaging only in services for which they possess the requisite knowledge, skills, and experience.
 - (ii) Continuously improving their proficiency, effectiveness, and the quality of services delivered.
- h. Execute work with the care and skill expected of a reasonably prudent and competent internal auditor by:
 - (i) Determining the scope of the work, taking into account the relative complexity, materiality or significance of matters, the adequacy and effectiveness of governance, risk management and control processes, the likelihood of significant error, fraud or non-compliance, and the cost of the assurance in relation to the potential benefits.
 - (ii) Considering the use of technology and data analysis techniques where appropriate.
 - (iii) Remaining alert to risks that may impact objectives, operations, or resources, while recognising that assurance procedures cannot guarantee identification of all significant risks.
 - (iv) During a consulting engagement, auditors must consider the needs and expectations of clients, the complexity and extent of work needed to achieve the objectives, and the cost of the consulting engagement in relation to potential benefits.
 - (v) Tailoring consulting engagements to meet client needs and expectations, , taking into account the complexity and scope of the work required to achieve the objectives, and the cost of the advisory engagement in relation to the potential benefits.
- i. Maintain independence, impartiality, and objectivity in evaluating activities and the organization, and:
 - (i) Avoid any activity, relationship, or meeting, even as an observer, that could impair or be perceived to impair unbiased assessments due to conflicts of interest or other circumstance
 - (ii) Refrain from accepting favours or gifts that could impair or be perceived to impair professional judgement.
 - (iii) Disclose all material facts that could otherwise distort the reporting of activities under review.
- j. Keep the strictest confidentiality with regard to the information handled and the conclusions of their work by:

- (i) Exercising prudence in the use and protection of acquired information.
 - (ii) Avoiding the use of information for personal gain or in any way detrimental to the legitimate and ethical objectives of the Organisation.
 - (iii) Exercising particular vigilance when handling restricted information.
- k. Fulfil the objectives and scopes defined in the Audit Plan as approved by the Audit and Control Committee, and issue objective reports accordingly.
 - l. Manage the assigned budget and resources available to the Internal Audit Function effectively and efficiently.

VIII.B POWERS:

- a. Express opinions, reach conclusions, and make assessments freely and independently, presenting these to the Audit and Control Committee and the Board of Directors.
- b. Access all personnel, internal regulations, files, books, documents, data, manuals, systems, and assets deemed necessary for the performance of duties and execution of the work plan. This includes access to information contained in computer systems and media provided to employees by the company, including corporate email. Requested information must be provided within a reasonable timeframe and must be accurate and complete.
- c. Be informed by the company's senior management of any discovered control deficiencies, significant economic losses, or reasonable indications of deficiencies and irregularities.
- d. Be kept duly informed of the company's financial and business progress and results. To this end:
 - ✓ Receive financial statements and additional management information on at least a quarterly basis, with a level of detail appropriate for their analysis.
 - ✓ Attend meetings, roundtables, and forums where their presence is requested, as well as those where auditors, in consultation with the convener, deem their participation appropriate, provided that their independence or the appearance of independence is not compromised.
- e. Seek the cooperation of any Group employee whenever necessary or appropriate.
- f. Inform the Audit and Control Committee and the Board of Directors of any attempt to interfere with the performance of their duties.

IX. APPROVAL

The Board of Directors of El Corte Inglés is responsible for approving, modifying, or revoking these Internal Audit Regulations, following consultation with the Audit and Control Committee.

This Charter was approved by the Board of Directors on 31 October 2018, based on the recommendation of the Audit and Control Committee.

X. UPDATING CLAUSE

This Internal Audit Charter shall be kept up to date. To this end, it shall be reviewed regularly on an annual basis and on an extraordinary basis whenever changes in the Group's strategic objectives or in applicable legislation make this advisable..

The Chief Internal Audit Officer is responsible for submitting to the Audit and Control Committee the amendments required to keep this Charter up to date.

XI. VERSION HISTORY

Version	Date of amendment	Purpose of the amendment	Sections affected
2.0	22/July/2021	Update of the Royal Decree in force implementing regulations under Law 22/2015 and other minor aspects of the document.	I. Introduction III. Purpose of the Internal Audit Charter IV. Activities and Purpose of the Internal Audit Function VII. Work and Information Processes and Procedures of the Function
3.0	28/Jun/2023	Minor amendments to the definitions of certain areas of activity.	IV. Activities and Purpose of the Internal Audit Function
4.0	30/Oct/2024	Update the Charter following the change in the IAF's management	IV.b Assessment of Internal Control IV.d Compliance Monitoring VII.f. Quality Control VII.g Follow-up of Recommendations

Last revision, October 2024

ANNEX 1. ROLES AND RESPONSIBILITIES OF THE AUDIT AND CONTROL COMMITTEE WITH REGARD TO INTERNAL AUDITING.

In accordance with the Regulations governing the Audit and Control Committee of ECI, the Committee's responsibilities with regard to internal auditing are as follows:

1. Propose to the Board of Directors the selection, appointment, re-election and removal of the Chief Internal Audit Officer (art. 4c)
2. Ensure the independence and efficacy of the Internal Audit Department, guaranteeing it has adequate human and material resources, as well as appropriate professional credentials, to perform its duties to the highest standard, **which shall be defined in the Internal Audit Charter** (art. 4a).
3. Ensure that internal auditors have unrestricted access to all necessary documentation and information required to carry out their duties effectively and efficiently (art. 4b).
4. Propose and supervise the budget for Internal Audit (art. 4d).
5. Propose internal audit plans to the Board of Directors, ensuring that the Internal Audit function proactively addresses relevant risks to the Company and its Group. (art. 4e).
6. Transfer and share any relevant information with the Internal Audit Department to help it fulfil its functions and responsibilities (art. 3h).
7. Receive regular updates on internal audit activities and monitor their progress (art. 4f).
8. Review regular internal reports submitted by the Internal Audit department to senior management and verify that the recommendations made by the Internal Audit function have been adequately implemented by the senior management team. Where appropriate, the committee should also seek justification for non-compliance (art. 4g).
9. Assess whether internal auditors are effectively monitoring key controls and addressing emerging risks (art. 4h).
10. Evaluate the quality of the Internal Audit Department's work, including its objectivity and technical capacity to fulfil its assigned functions (art. 4i).
11. Implement a system of continuous training and knowledge updating for Internal Audit team members (art. 4j).
12. Ensure appropriate communication and collaboration between the Internal Audit Department and other risk management functions, such as compliance, corporate social responsibility, environmental health and safety, loss prevention, quality management, and credit risk. Define and delineate duties to avoid duplication, excessive costs, or unclear responsibilities (art. 4ñ).

13. In each case, obtain the opinion of the Internal Audit Department in advance, particularly with regard to:
- (i) the content of audit reports and other mandatory reports from auditors before their issuance, to avoid qualifications,
 - (ii) the result of each account audit,
 - (iii) senior management's responses to recommendations, and
 - (iv) the assessment of external auditors' work quality and technical capacity (art. 5j).