REGULATIONS OF THE AUDIT AND CONTROL COMMITTEE OF MERLIN PROPERTIES, SOCIMI, S.A.

Revised text of the Audit and Control Committee Regulations approved by the Board of Directors at the meeting held on December 19, 2024 (registered in the Mercantile Registry, dated August 12, 2025, under entry 109 of the Company's registry sheet).

REGULATIONS OF THE AUDIT AND CONTROL COMMITTEE OF MERLIN PROPERTIES, SOCIMI, S.A.

Chapter I
Preliminary

Article 1. Nature and Purpose

1. In accordance with the Corporate Governance System of Merlin Properties, SOCIMI, S.A. (the "**Company**" or "**Merlin**"), the Board of Directors sets up the Audit and Control Committee (the "**Committee**"), an internal, collective and permanent body, of an informative and advisory nature, without executive functions, with powers to supervise financial and non-financial reporting, including sustainability reporting, control and risk management systems, the internal audit function and dealings with the external auditor or sustainability verifier. The Committee, which shall also have additional functions, such as reporting on related-party transactions and general supervision of the functioning of the internal reporting system, within its scope of action, shall be governed by the provisions of the bylaws, of the Board Regulations and of these Audit and Control Committee Regulations (the "**Regulations**").

2. The purpose of these Audit and Control Committee Regulations is to define:

   (i) the principles of action of the Company's Audit and Control Committee;

   (ii) the basic rules of its organization and functioning; and

   (iii) the rules of conduct of its members.

3. The Regulations were prepared having regard to the recommendations of good governance generally recognized on the international markets and form part of the Company's corporate governance system.

Article 2. Approval and amendment of the Regulations

1. These Regulations must be approved by the Board of Directors, at the proposal of the Chairman of the Board, of one half plus one of the directors or of the Committee itself.

2. The Regulations may only be amended by the Board, at the proposal of the Chairman of the Board, of one half plus one of the directors or of the Committee itself.

3. Proposals for amending the Regulations must be accompanied by an explanatory memorandum and must be reported on by the Appointments and Compensation Committee. The wording of the proposal, the explanatory memorandum of its authors and the report by the Appointments and Compensation Committee must be attached to the call notice of the Board meeting at which the directors are to deliberate on it, and must be expressly included on the meeting Agenda. In order to be valid, an amendment of the Regulations will require a resolution adopted for such purpose by absolute majority of the directors present at the meeting either in person or represented by proxy.

Article 3. Interpretation

1. The Regulations implement and complete the rules applicable to the Board of Directors pursuant to the legislation in force and to the Company's bylaws which, in the event of contradiction, will prevail over the provisions of the Regulations.

2. The Regulations must be interpreted in compliance with the applicable statutory and bylaw provisions and with the principles and recommendations on the corporate governance of listed companies, having regard fundamentally to their spirit and purpose and to the corporate interest.

3. Any question or discrepancy related to the interpretation of the Regulations will be resolved by the Committee and, otherwise, by its chairman, assisted by the persons designated for such purpose by the Board, as the case may be. The interpretation and resolution of any questions or discrepancies must be reported to the Board.

Article 4. Dissemination

Committee members, as well as Board members (the "**Directors**"), where applicable to them, have the obligation to know, comply with and procure compliance with the Regulations. For such purpose, the secretary to the Board must provide all Directors with a copy of the Regulations when they accept their respective appointments, and a copy of the Regulations must be posted on the corporate website of the Company.

Chapter II
Powers of the Committee

Article 5. Basic principles of action

The Committee, when exercising its powers, must comply with the basic principles of:

(i) **skepticism**, sufficiently questioning the data, the assessment processes and the preliminary conclusions reached by the Company's executives and managers. This calls for a critical approach that does not automatically accept their opinion, taking note of arguments for and against, and with members forming their own opinion, both individually and as a whole;

(ii) **dialog**, both:

   (a) **among its members**, to promote a diversity of opinions that enriches analyses and proposals, establishing a climate within the Committee that fosters constructive dialog among its members, promoting free speech and a critical mindset, for which purpose the Chairman shall have adequate leadership capacity and appropriate communication skills; and

   (b) with its **habitual dialog partners**, on a two-way basis, including:

   - with Company management and, in particular, the general and financial management of the risk control function and the sustainability function;

   - with the head of the internal audit function;

   - with the main auditor responsible for the statutory audit; and

- with the lead verifier responsible for sustainability, where appropriate.

(iii) **sufficient analytical capacity**, seeking, where deemed necessary or advisable, the expert advice of a third party who may assist the Committee in the process of dealing with particularly complex aspects. To do so, the Board, at the Committee's proposal, may establish appropriate mechanisms to facilitate and expedite the Committee's access to resources with which to engage external advice, when it deems appropriate. In such case, their use and the corresponding expenses incurred must be duly justified, with a view to avoiding abuse and unnecessarily resorting to this type of resources, the Board of Directors must be informed, and they must be subject to review, with the assistance, where appropriate, of the internal audit function or of an external expert engaged for such purpose, whichever is deemed more advisable.

Article 6. Powers related to audit work and to the external auditor and the verifier of sustainability information

In this area of its powers, the Committee's main functions will be:

(i) With respect to the designation or termination of the external auditor and the verifier of sustainability information:

(a) to approve the Policy, an internal protocol and a procedure for their selection and engagement, all relations with the external auditor and the verifier, any circumstances that could affect their independence, and the instruments used to ensure that such relations are sufficiently transparent and give due priority to the quality of the audit or verification in comparison to the remuneration-aspects. As a part of these powers, the Committee must consider, among others, factors such as the scope of the audit, knowledge of the sectors in which the Company's economic activities are classified, including the associated risks and specific legislation, the capacity, experience and resources of the auditor or audit firm, the fees, as well as the auditor's independence and the effectiveness and quality of the audit services to be provided. The same criteria shall apply to the appointment or reelection of the verifier of sustainability information, for which purpose the Committee may consult and/or involve the Sustainability Committee;

(b) to present to the Board, for submission to the Shareholders' Meeting, the proposal for the selection, appointment, reelection and replacement of the external auditor and of the verifier, as well as the contracting terms and, as the case may be, terms of revocation or non-renewal;

(c) to examine, should the external auditor or verifier reject their appointment, the circumstances behind such rejection; and

(d) to ensure that the Company reports any change of external auditor via the National Securities Market Commission, attaching a statement regarding the existence of any disagreements with the outgoing auditor and, as the case may be, their substance.

(ii) With respect to the actions of the external auditor and the verifier:

(a) to supervise compliance with the audit contract and the verifier contract;

(b) to obtain, on a regular basis, information on the audit plan and the verifier's plan and their enforcement, and to preserve their independence in the performance of their functions;

(c) to ensure that:

a. the external auditor holds a meeting with the Board at least once a year, with a view to informing it of the work performed and of the Company's accounting and risk status; and

b. the Company and the external auditor comply with the provisions in force on the provision of non-audit services, the restrictions on the concentration of the external auditor's business and, in general, all other provisions on the independence of auditors.

(d) to ensure that its compensation does not jeopardize its quality or its independence and to receive from the external auditor all information on matters which could place its independence at risk, as well as all other communications stipulated in the audit legislation and in the audit standards, for examination by the Committee.

(iii) With respect to the independence of the external auditor and the verifier:

(a) to ensure independence and the absence of grounds for prohibition and conflict of interest;

(b) to establish sources of internal information at the Company that provide relevant information regarding the independence of the external auditor and of the verifier, taken from the financial department, the sustainability function or other management functions, from the internal audit function or from other assurance functions, such as the legislative compliance unit or the risk unit, or external sources, such as information provided by the external auditor or the verifier;

(c) to ask the external auditor and the verifier to explain the internal quality control system they have in place as regards independence, and for information on internal practices for rotation of the audit or verification partner and of their personnel;

(d) to discuss with the external auditor and the verifier all circumstances capable of jeopardizing their independence and to evaluate the effectiveness of the safeguard measures adopted, as well as to understand and evaluate all relations between the Company and its related parties and the external auditor or verifier and their network, that entail the provision of non-audit or non-verification services or any other type of relationship;

(e) to ensure that the remuneration of the auditor and of the verifier does not compromise the quality of their work or their independence. In particular, in the latter case, the rules regarding fees provided in the applicable legislation shall be taken into account;

(f) to analyze any annual variations in the total remuneration of the external auditor or verifier;

(g) to approve and review the internal policies of the Company for compliance with the obligations provided for in the Audit Law and in Directive 2006/43/EC in relation to prohibitions subsequent to the completion of audit or verification work;

(h) to receive from the external auditor and from the verifier, on an annual basis, a statement of independence, as well as information on any additional services provided and the related fees received by them or by persons or entities related to them, pursuant to audit legislation; and

(i) to issue, on an annual basis, prior to the issue of the audit report, a report in which it gives an opinion on whether the independence of the external auditor and of the verifier has been compromised. This report must contain, in all cases, a reasoned assessment of the provision of each and every one of the additional services, taken individually and collectively, not entailed in the statutory audit and in connection with the rules on independence or with the regulations on the activity of auditors.

(iv) With respect to the review of audit and verification work:

(a) to review with the external auditor and the verifier the main incidents detected during the audit and verification, respectively, comparing them with the opinion of the management, checking that they have been resolved and, if not, ascertaining why not, and to follow-up the recommendations of the external auditor and the verifier;

(b) to verify compliance with both the audit and verification strategies and the corresponding audit and verification plans, and to obtain explanations of any changes made; in particular, the degree of involvement of the most senior levels of the auditor or verifier, including the lead partner and quality reviewer;

(c) to discuss with the auditor and the verifier their internal quality procedures and policies and the degree of effective commitment by the firm to the quality of the audit and verification;

(d) to obtain an explanation from the external auditor and the verifier regarding how they approached the risks detected;

(a) to ask the auditor about the procedures established to be able to offer reasonable assurance that the financial statements are free from material errors and omissions and whether, in practice, any signs or indications were detected that the Committee should be aware of and with respect to which it should adopt any measure;

(b) to discuss with the auditor and the verifier: (i) the suitability of the criteria and parameters used to determine materiality, or double materiality in the case of sustainability reporting, and whether lower figures have been established, based on qualitative parameters, in the analysis of certain transactions or sensitive areas of the financial or sustainability information, such as relationships with related parties; and (ii) the methods and hypotheses used by management in significant estimates, as well as the impact of considering alternative methods or hypotheses, and the consideration by the auditor or verifier of information, hypotheses, methodologies or data that may contradict those used by management;

(c) to analyze the opinion of the external auditor and of the verifier in the light of the evidence available to them on each relevant area of the business; and

(d) to hold meetings with senior management and with the financial department, on one hand, and with the external auditor and verifier, on the other, to evaluate whether the relations and cooperation between them have been adequate.

(v) To serve as a communication channel between the Board and the external auditor and the verifier.

(vi) To assess the findings of each audit and verification and to supervise the answers given by Company management regarding the adjustments proposed by the external auditor and the verifier, mediating in cases of discrepancies between the former and the latter with respect to the standards and methods applicable to the preparation of the financial statements and sustainability information.

(vii) To analyze with the external auditor and the verifier any significant weaknesses of the internal control system detected during the audit and verification, to present recommendations or proposals to the Board and to specify the related period in which they are to be monitored.

(viii) To grant prior authorization to non-audit and non-verification services to be provided by the external auditor or the verifier (or the audit or verification firm to which they belong) or by the persons or entities related to them (pursuant to the audit legislation) to the group companies, as stipulated by law. For such authorization, the Committee must assess:

(a) the nature of the services, the circumstances and context in which they are provided, the condition, position or influence of the person providing the services, and other relations with the Company, as well as their effects and whether the services could threaten the independence of the external auditor or the verifier and, as the case may be, whether there are measures capable of eliminating or reducing those threats to a level that does not compromise their independence;

(b) whether the external auditor or the verifier (or the audit or verification firm) is the most suitable for providing the services, having regard to their knowledge and expertise; and

(c) the compensation of non-audit and non-verification services, individually or collectively, in connection with audit and verification services, and the parameters used by the audit or verification firm to define their own compensation policy.

Article 7. Powers related to the process of preparing economic-financial information and non-financial information

In this area of its powers, the Committee's main functions will be:

(i) To supervise:

(a) compliance with statutory requirements;

(b) the suitable definition of the scope of consolidation and reporting;

(c) relevant changes in the significant criteria applied;

(d) significant modifications or adjustments identified by the external auditor or sustainability verifier or resulting from internal audit reviews, and the management's position on such adjustments, supervising any requests sent by the supervisory authority of the regulated information;

(e) the correct application of the generally accepted accounting standards and the international financial reporting standards applicable to the regulated economic-financial information related to the Company;

(f) the process of preparing and presenting the Company's financial statements, the financial and non-financial information reported by the entity in its annual or interim financial reports, including presentations of results, the management report, sustainability information, notification of transactions with related parties, reports on internal risk control and management systems, corporate governance, directors' compensation, etc., reporting on them to the Board prior to their approval, assessing in which cases it is appropriate to involve the statutory auditors or verifiers of the sustainability information in the review of any of these reports, and submitting recommendations or proposals aimed at safeguarding their integrity; and

(g) the process of preparing the financial and non-financial information and its integrity, as well as the financial and non-financial risk control and management systems relating to the Company, including (a) operational, (b) technological, social, environmental, (c) governance and talent management risks, (d) legal, (e) political and (f) reputational risks or those related to corruption, subject to the prior report and recommendation of the Sustainability and Innovation Committee and the Appointments and Compensation Committee on the matters within their competence. This notwithstanding and without prejudice to the necessary coordination between committees, this Committee shall be ultimately responsible for the effectiveness of the control and management systems for financial and non-financial risks, including sustainability risks. For illustration purposes, coordination mechanisms include a member's membership of both committees, or the possibility of holding one or more joint meetings in each financial year, in addition to coordination of the Board meeting, through the reports submitted by each committee and the discussions held in this regard.

(ii) To supervise compliance with the statutory requirements on accounting matters and the correct application of the generally accepted accounting standards, and to report on the proposals for modification of accounting standards and methods suggested by the management.

(iii) To review:

(a) the clarity and integrity of all financial and non-financial information reported by the entity in its annual or interim financial reports, including presentations of results, the management report, sustainability information, notification of transactions with related parties, reports on internal risk control and management systems, corporate governance, directors' compensation —the latter including, in turn, annual corporate governance reports (IAGC) and annual reports on directors' remuneration (IARC), as well as sustainability information—, prior, as appropriate, to their approval by the Board, notwithstanding the previous verifications that may be made by other committees in accordance with their content, such as the review of the remuneration report by the remuneration committee, and ensure that half-yearly financial reports and quarterly management statements are prepared using the same accounting criteria as the annual financial reports and, for such purpose, to consider whether it would be appropriate to have the auditor perform a limited review of the half-yearly financial reports;

(b) the contents of the audit reports and non-financial information verification reports and, as the case may be, of the reports on the limited review of interim accounts and other mandatory reports by the external auditor, prior to issue, with a view to avoiding qualifications; and

(c) with the cooperation of the internal audit department, the financial and non-financial information (as applicable) included in the annual and interim financial reports posted on the Company's website, ensuring that it is updated on an ongoing basis and is in line with the information prepared by the Company's directors and posted, as the case may be and where obligatory, on the website of the National Securities Market Commission (*CNMV*).

(iv) To assess the findings of each audit or limited review and verification and to supervise the answers given by Company management to the recommendations.

(v) To procure that the opinion on the financial statements and the main contents of the audit report and non-financial information verification report are drafted clearly and accurately.

(vi) To ensure that the financial statements that the Board presents to the Shareholders' Meeting are prepared in accordance with accounting legislation. Where the auditor has included a qualification in its audit report, the chairman of the Committee will clearly explain to the Shareholders' Meeting, the opinion of the Committee regarding its content and scope and a summary of such opinion will be made available to shareholders at the same time as the publication of the call notice.

Article 8. Powers related to the internal audit department

In this area of its powers, the Committee's main functions will be:

(i) To ensure the independence of the internal audit department, which will depend functionally on the Committee, and to ensure that it has sufficient resources and members with suitable professional qualifications for the optimum performance of its functions;

(ii) To propose the selection, appointment, and removal of the head of the internal audit department;

(iii) To analyze and approve the budget of the internal audit department;

(iv) To approve or propose for approval by the Board of the guidelines and annual working plans of the internal audit department and to receive periodic information on its activities; when supervising the working plan, the Committee must check that the plan covers the main areas of financial and non-financial risk of the business (including reputational risks) and that it clearly identifies and defines the Committee's responsibilities, in the interest of suitable coordination with any other existing assurance functions, such as the risk management and control, management control and legislative compliance units and the external auditor;

(v) To perform ongoing assessments, at least once a year, of the functioning of the internal audit department, of its action plans and resources and of the performance of the department head. In its assessment, the Committee must ensure:

(a) that, in practice, the key risk areas of the business identified in the plan are properly addressed. This will include supervision of the internal controls over the method of calculation of any alternative performance measures (APMs) and key performance indicators (KPIs) as regards sustainability used by the entity in its regular reporting;

(b) that there is adequate coordination with other assurance functions, such as risk management and control or legislative compliance, as well as with the external auditor and verifier of sustainability;

(c) that the resources originally approved, whether human, technological and financial, are available, including the engagement or use of experts for audits requiring special qualifications, where deemed necessary or appropriate;

(d) that the head of the internal audit department has direct and effective access to the Committee;

(e) that reports on the progress and conclusions of its work, prepared as a result of annual scheduling or of other specific requests made or approved by the Committee are being submitted with the established regularity; Said conclusions must include any weaknesses or irregularities detected, as well as action plans for their resolution and the follow-up of their implementation;

(f) that any significant changes in the execution and practical implementation of the plan are properly communicated to the Committee and that, when such changes entail the need to update the plan itself, the update is approved through the same procedure whereby the initial plan was approved;

(g) that an activity report is submitted annually containing, at least, a summary of the activities carried out and the reports issued over the year, explaining the work specified in the annual plan but not implemented and the work implemented but not originally planned, and setting out an inventory of weaknesses, recommendations and action plans contained in the various reports.

(vi) To ensure that internal audit staff profiles are suitable, that senior staff have qualifications widely recognized in the market and that the hierarchy and position of the entity’s audit officer is such that they can carry out their work objectively and independently.

(vii) To procure that the members of the internal audit department:

(a) have no personal or professional interests in the area they are auditing and view all work from an impartial standpoint;

(b) have access to the necessary documentation and staff; and

(c) are enabled to use suitable research techniques without any barriers whatsoever.

(viii) To promote the periodic assessment of the internal audit function by an independent third party; that it ensures compliance with the Global Internal Audit Standards and seeks the opinion of other specialized committees and of the senior management.

(ix) To check periodically that Company management considers the conclusions and recommendations set forth in the reports and activities of the internal audit department.

Article 9. Powers related to internal control and management systems for financial and non-financial risks

In this area of its powers, the Committee's main functions will be:

(i) To supervise everything related to the various types of risk faced by the Company, including financial or economic risks, contingent liabilities, other (a) off-balance sheet, (b) operating, (c) social, environmental and technological, (d) governance and talent management risks, (e) legal, and (f) political and reputational risks, in collaboration with the Sustainability and Innovation Committee and the Appointments and Compensation Committee, in matters of competence.

(ii) To assess, at least once a year, the list of the most significant financial and non-financial risks and the level of tolerance stipulated for each one, having regard to the information provided by the management, the head of the internal audit department and, if appropriate, the risk management and control unit, bearing in mind that setting the risk levels deemed acceptable by the Company is an executive function of the Board.

(iii) To review periodically:

  (a) the Risk Management and Control Policy and strategy and to propose its amendment and update to the Board;

  (b) the Company's internal control policy and the Company's internal control and risk management systems and, in particular, the correct design of the system for internal control and management of financial information (ICFRS), so that the main risks are identified, managed and reported suitably; and

  (c) the reports to be issued by the management on the functioning of the systems established and the conclusions reached, as the case may be, in the tests performed on said systems by the internal auditors, or by any other professionals engaged specifically for such purpose, as well as on any significant internal control deficiency detected by the external auditor in the performance of its audit or the verification of the sustainability information;

  and having regard to their substance, to issue, if appropriate, the appropriate recommendations, ensuring, in all cases, that the internal control policies and systems are effectively applied in practice.

(iv) To obtain information on whether the key risks are managed, controlled and kept within the tolerance values set by the Board, based on the information provided by management, the internal audit officer and, where applicable, the risk management and control unit officer; to reevaluate, at least annually, the list of the most significant financial and non-financial risks; and to assess the different tolerance levels established in order to propose any appropriate adjustments.

(v) To hold a meeting, at least once a year, with the heads of the business units, at which the latter explain the business trends and the associated risks, and to enhance the idea that the heads of the business units are directly responsible for effective risk management and that a business unit head should be assigned to each risk identified.

(vi) To approve the internal audit department's plan for assessing the ICFRS and the ICNFRS, and its modifications, and to receive periodic information on the findings of its work, as well as the action plan for correcting any deficiencies observed.

(vii) To report, in advance, on the risks of the Company to be included in the annual corporate governance report and to inform the Board of its conclusions, so that it may assess them.

Article 10. Powers relating to the supervision of related-party transactions

In this area of its powers, the Committee's main functions will be:

(i) To compile and analyze all the necessary information and documentation to be able to report to the Board of Directors on any related-party transactions that must be approved by the Shareholders' Meeting or the Board itself, on the terms set out in the law. To this end, the Committee may request expert reports when deemed appropriate, for example, because it has to decide whether a sufficiently complex transaction is fair and reasonable from the point of view of the Company and of the shareholders that are not related parties.

(ii) To ensure that the related-party transactions that it must report to the CNMV for public disclosure contain the information required by law and, in particular, to assess whether the transaction is fair and reasonable from the point of view of the Company and of the shareholders that are not related parties.

(iii) To establish control mechanisms for related-party transactions whose approval has been delegated by the Board of Directors, so as to enable it to verify that the legal criteria for such delegation are met. To this end, the Audit Committee shall propose to the Board the internal reporting and periodic control procedure aimed at verifying compliance with the legally established criteria, as well as the fairness and transparency of the transactions whose approval was delegated, and periodically review its suitability.

(iv) To periodically review, with the assistance, where appropriate, of the internal audit area, the list of delegated transactions performed during the period, being able to request such additional information and documentation as it deems appropriate to ensure compliance with the above-mentioned requirements, including an individual assessment of the most significant transactions.

Article 11. Other powers entrusted to the Committee

The Committee will also have the following powers:

(i) As regards the external appraisers:

  (a) to supervise the hiring process, ensuring that the rotation policy is applied and that possible conflicts of interests and threats to independence that may call its suitability into question are identified;

  (b) to ensure that the methodology applied and that the relevant hypotheses and assumptions used are in line with international accounting standards (IFRS) and with the Valuation Standards published by the Royal Institute of Chartered Surveyors (RICS) of Great Britain and the International Valuation Standards (IVS) published by the International Valuation Standards Committee (IVSC).

(ii) To be aware of and assess the results of the work performed by the external auditor and the verifier of the sustainability information in relation to the valuations of the Company's assets.

(iii) To report at the Shareholders' Meeting on issues raised in connection with the matters for which the Committee is responsible and, in particular, on the findings of the audit, explaining how the audit contributed to the integrity of the financial information, the sustainability information and the function performed by the Committee in this process.

(iv) To report to the Board, prior to the Board's adoption of the related decision, on:

(a) the creation or acquisition of holdings in special-purchase entities or entities with registered office in countries or territories treated as tax havens, as well as any other transactions or operations of a similar nature which, given their complexity, could be detrimental to the transparency of any group of which the Company is the parent;

(b) the economic terms and accounting impact and exchange ratio (if it exists and/or is applicable) in the structural and corporate modifications to be carried out by the Company.

(v) To regularly receive information on the functioning of the Internal Reporting System, available on the corporate website (https://www.merlinproperties.com/sistema-interno-de-informacion/) in accordance with the Information System Policy of the MERLIN Group, including, at least, the number of complaints received, their source and type, the outcome of investigations – which it is recommended be broken down individually, whether in the most significant cases or at the audit committee's request –, together with the measures and courses of action proposed or adopted. To handle, manage and report on any complaints sent to the Internal Reporting System and which, due to their nature, fall under the Committee's authority.

(vi) With respect to compliance with statutory requirements and to the prevention of money laundering and the correction of illegal or fraudulent conduct:

(a) to receive information from the Criminal Compliance Body in connection with any significant issue related to legislative compliance and the prevention and correction of illegal or fraudulent conduct;

(b) to review the annual activities plan of the Criminal Compliance Body, as well as the half-yearly report on its activities, and subsequently to forward them to the Board;

(c) to review, through the Internal Control Body, the Company's internal policies and procedures, with a view to ensuring that they effectively prevent money laundering and terrorism financing, and to identify eventual policies or procedures that more effectively promote the highest ethical standards, and to submit them to the Board;

(d) to issue its prior opinion on any reports prepared on money laundering and terrorism financing and, in particular, on the annual self-assessment report prepared by the Internal Control Body and to submit it to the Company's Board of Directors for its approval.

(vii) Any other powers attributed to it in the bylaws, the Regulations, the law and other legislation applicable to the Company.

Chapter III
Composition

Article 12. Introduction Program

1. New Committee members will be introduced to the functions of the Committee, and to the Company's other bodies, through a program aimed at ensuring that they all have a homogeneous knowledge that facilitates their active participation from the start.

2. The introduction program will cover at least:

   (i) the Committee's role, responsibilities and objectives;

   (ii) the functioning of the other specialized committees set up by the Company;

   (iii) the time each Committee member is expected to dedicate to the Committee (commitment regarding level of dedication);

   (iv) an overall view of the Company's business and organizational models and of its strategy; the Company's main activities and business segments; its financial structure, the most significant risks, both financial and non-financial including those related to sustainability; the entity's most important policies, including its code of ethics (meetings with key staff of the entity should be included); and

   (v) the Company's financial and non-financial reporting obligations.

Article 13. Quantitative and qualitative composition

1. The Committee will have not less than three (3) and not more than six (6) members, all of whom will be nonexecutive directors and most of whom will be independent directors; said members will be appointed by the Board at the proposal of the Nominations and Compensation Committee.

   The proposal and appointment of Committee members must procure diversity of composition, in particular with respect to a balanced presence of men and women, professional experience, skills and industry-specific knowledge.

2. Committee members, as Board members, are presumed to have the experience and knowledge of management, economics, finance and business necessary in all good directors. Nonetheless:

   (i) collectively, they must have pertinent technical knowledge related to the industry to which the Company belongs;

   (ii) as a whole, they must have knowledge and expertise in accounting and auditing and given the significant and growing weight of sustainability reporting, it is recommended that Committee members have, as a whole, an adequate understanding and experience in this field, both in relation to the identification and management of risks, opportunities and related impacts, and in relation to reporting obligations;

   (iii) as a whole training and expertise that enables them to have a suitable understanding of the various matters relating to financial and sustainability reporting, as well as to auditing and verification;

(iv) at least one of the Committee members must be designated having equal regard to his knowledge and experience in matters of accounting, audit or both.

In addition to the foregoing, when proposing and appointing Committee members and officers, the Nominations and Compensation Committee and the Board of Directors must procure that:

(i) the Committee chairman has knowledge, aptitudes and experience suitable to the functions he is called to perform in matters of accounting, auditing and financial and non-financial risk management;

(ii) committee members, collectively, have aptitudes in financial and internal control matters; and

(iii) the Committee members have experience in information technology (IT), among other reasons, so as to provide effective supervision of internal control and risk management systems (which generally use complex computer applications) and so as to be able to make a suitable assessment of new emerging risks, such as that of cybersecurity.

3. The number of members, their powers and the rules on the functioning of the Committee must favor the independence of its functioning. Thus, within the aforesaid limits, the Committee may propose to the Board that the number of its members be modified, with a view to ensuring the most suitable number for its effective functioning.

Article 14. Offices

1. The Committee will appoint a Committee chairman from among the independent Committee members.

   The Committee chairman, among other aspects:

   (i) must have sufficient capacity and availability to provide the Committee with greater dedication than its other members;

   (ii) must maintain regular contact with key staff involved in the Company's governance and management (contact which the other Committee members may also have, if they so request);

   (iii) will be the person who channels and furnishes the necessary information and documentation to the other Committee members, with the cooperation of the secretary of the Board, in time for them to be able to analyze it prior to Committee meetings; and

   (iv) with a view to favoring the diversity of opinion that enriches the Committee's analyses and proposals, will ensure that Committee members participate freely in deliberations, without being affected by internal or third-party pressures, and will foster constructive dialog among its members, promoting free speech and a critical attitude.

2. The Committee must designate a secretary and may designate a deputy secretary, neither of which has to be a Committee member. Should these designations not be made, the Board secretary and deputy secretary will hold these offices.

Article 15. Term of office

1. Committee members will hold office for as long as their appointment as Company directors remains in force, unless the Board resolves otherwise. The renewal, reelection and removal of directors making up this Committee will be governed by what is resolved by the Board.

2. The Chairman must be replaced every four (4) years and can be reelected, provided that one (1) year has elapsed since the end of his term, notwithstanding his continuity or reelection as a Committee member.

3. Committee members reelected as Company directors by resolution of the Shareholders' Meeting will continue to hold office on the Committee, without having to be reelected, unless the Board resolves otherwise.

Article 16. Cessation

Committee members will cease to hold office:

(i) when they cease to be Company directors;

(ii) when, despite continuing to be Company directors, they cease to be nonexecutive directors;

(iii) by resolution of the Board.

Article 17. Training program

Committee members will participate in a periodic training program to ensure that they have up-to-date knowledge of new accounting legislation, the specific regulatory framework of the Company's activity, internal and external audit, sustainability-related information, including its verification, risk management, internal control and the technological advances significant to the Company.

Chapter IV
Functioning

Article 18. Annual working plan

1. Prior to the commencement of each year, the Committee will approve an annual working plan that covers the various activities within its scope.

2. When preparing the plan, regard must be had to the fact that the responsibilities of Committee members are fundamentally supervisory and advisory, and that they should not take part in enforcement or management functions specific to the management and the executive bodies of the Company.

Article 19. Meetings

1. Following the approval of the annual working plan, the Committee chairman must prepare the annual meeting calendar, having regard to the time to be dedicated to the various Committee functions, as well as to the meeting calendar of the Board and of the Shareholders' Meeting, all of the foregoing with a view to preparing, if appropriate, the

reports to be forwarded on the matters to be discussed, as well as the report on the activities carried out by the Committee.

2. In any case, the Committee will call a meeting not less than once every quarter, in order to review the periodic financial and sustainability information that, pursuant to the legislation in force, is to be forwarded by the Board to the securities market authorities, as well as the information to be approved by the Board and included in its annual public documentation. These meetings will be attended by the head of the internal audit department and, if a review report is issued, by the external auditor and the verifier of sustainability information. At least a part of these meetings will be held without the presence of Company management, so that specific matters arising from the reviews performed can be discussed exclusively with them.

3. Notwithstanding the provisions of the preceding sections, the Committee will meet as often as is necessary, in the opinion of its chairman, for it to exercise its powers, as well as when a meeting is requested by at least two of its members.

4. The chairman of the Board and the managing director may request informational meetings of the Committee on an exceptional basis.

Article 20. Call notice

Committee meetings will be called by the Committee chairman, either at his own initiative or at the request of the chairman of the Board or by any member of the Committee itself. The call notice will be served by letter, telegram, telefax, e-mail or any other means permitting a record of its receipt, and it may be served by the secretary (at the request of the chairman).

Article 21. Meeting Venue

1. Committee meetings will be held at the venue indicated in the call notice.

2. Committee meetings may be held at various venues connected with each other by systems that permit the recognition and identification of attendees, ongoing communication between them, participation and voting, all in real time.

3. Committee members present at any of the interconnected venues will be regarded to all intents and purposes as attendees of the same and sole Committee meeting. The meeting will be deemed held at the venue at which the greatest number of Committee members are present or, in the event of a tie, the venue at which the chairman, or whoever is standing in for him, is present.

Article 22. Constitution

1. Committee meetings will be validly constituted when the majority of the Committee members are present or represented by proxy. Nonetheless, a Committee meeting will be deemed validly constituted without a call if all Committee members are present or represented by proxy , unanimously resolve to hold the meeting and agree on the items to be discussed on the agenda.

2. The meeting will be chaired by the Committee chairman. In the event of vacancy, illness, impossibility or absence of the Committee chairman, the meeting will be chaired by the longest serving Committee member and, should more than one have served an equal term, by the eldest.

3. The Committee secretary will act as the meeting secretary. In the event of vacancy, illness, impossibility or absence of the Committee secretary, the secretary will be the person designated by the Committee for such purpose.

4. Committee members may ask another member to serve as their proxy at a meeting by serving notice thereof on the Committee secretary, stating the terms of the proxy. They cannot, however, as another member to serve as their proxy in connection with matters that involve them personally or with respect to those entailing a conflict of interest for them.

Article 23. Resolutions

1. Committee resolutions shall be adopted by absolute majority of the votes of all members present or represented at the meeting. In the event of a tie the Committee chairman will not have the deciding vote.

2. Resolutions will be recorded in minutes signed by the Committee chairman and the secretary, or by whomever is standing in for them. Resolutions should be approved at the same meeting or at the meeting held immediately thereafter; they should be available to all directors; and they will be recorded in a book of Committee resolutions.

3. In emergency situations, and provided that no Committee member objects, resolutions may be adopted by written consent and without a meeting.

Article 24. Conflicts of interest

Where the matters to be discussed at Committee meetings have a direct impact on any Committee members or on persons related to them and, in general, where said Committee member is subject to a conflict of interest, he must leave the meeting until the decision is made, and will be discounted from the number of Committee members used to calculate quorum and majorities in connection with the matter in question.

Article 25. Attendance

1. At the request of the Committee chairman, by way of a petition addressed for such purpose to the chairman of the Board, any director may be asked to attend a Committee meeting.

2. By way of a reasoned request, the Committee chairman may also require the attendance of any Company director, manager or employee, as well as any member of the managing bodies of investees, whose nomination was proposed by the Company, provided that there is no legal barrier to such attendance.

3. Meetings cannot be attended by persons who do not form part of the Committee if the aspects discussed are not within the scope of the authorities or functions of such persons.

4. The Committee may require the presence at its meetings of the external auditors of both the Company and any entity forming part of the group, as well as of employees, auditors, verifiers and other experts, provided that there is no legal impediment to doing so, although only to address those specific items on the agenda for which they are invited to attend. Such attendees will not attend the decision-making part of Committee meetings.

5. The presence of managers or other directors, whether or not executive, at Committee meetings will be occasional and only if necessary, following an invitation by the Committee chairman, and will be limited strictly to those items on the agenda for which they are invited.

Chapter V
Relations

Article 26. Relations with the Board

1. The Committee chairman will inform the Board of the matters discussed and the resolutions adopted at its meetings at the first Board meeting held after each Committee meeting.

2. Also, within the first three months after the end of the Company's fiscal year, the Committee will submit to the Board, for its approval, an annual report on the Committee's work during the preceding year.

Article 27. Relations with the internal audit department

1. The Committee will propose to the Board, for its approval, following a report by the Nominations and Compensation Committee, the appointment and the removal of the head of the internal audit department.

2. The Committee will ensure that the members of the internal audit department have access to the necessary documentation and staff and will aid them in the use of suitable research techniques without any barrier whatsoever.

3. The Committee will guide and supervise the activities of the internal audit department, for which purpose it will approve (or propose for approval by the Board) an annual working plan. As an integral part of the plan, the Committee will approve (or propose for approval by the Board) the budget of the internal audit department.

4. The head of the internal audit department will report directly to the Committee on the execution, including the incidents and limitations arising during the development, results and monitoring of the recommendations of its annual working plan and will submit an activities report to the Committee at the end of each fiscal year.

5. In addition to the responsibilities specific to its function, the internal audit department will be the habitual communication channel between the Committee and the rest of the Company's organization.

Article 28. Relations with the external auditor and the verifier of the sustainability information

1. Communications and meetings with the external auditor and the verifier of sustainability information must respect their independence, must be smooth and ongoing and must discuss, inter alia, the following matters:

   (i) the appropriate definition of the scope of consolidation and reporting;

   (ii) opinions, methods, assessments and estimates made, where they have a significant impact on the financial statements and the sustainability information;

(iii) relevant changes in the significant criteria applied;

(iv) reasons why the entity should disclose in its public reporting certain alternative performance measures (APMs), instead of the measures directly defined by accounting standards, the extent to which APMs provide useful information to investors and the degree of compliance with ESMA guidelines in this respect;

(v) significant internal control weaknesses identified, where appropriate, for remediation and strengths for their adequate reinforcement;

(vi) significant modifications or adjustments identified by the statutory auditor or verifier of the sustainability information or resulting from internal audit reviews and management's position on such modifications or adjustments;

(vii) requests or demands sent by the supervisory authority of the regulated information, in the current or previous fiscal years.

2. Communications with the external auditor must be projected on an activities calendar and an annual meeting agenda; most meetings will be held without the presence of the executive directors or Company management and will include all matters with a potential influence on the opinion of the internal audit department and on the independence of the external auditor and the verifier, as the case may be.

3. The Committee must at all times abide by the general principle of independence of the external auditor and the verifier of sustainability information and their duty not to participate in any way in the Company's management or in the decision-making of any of the Company's bodies, including the Committee itself. The external auditor and the verifier must not be invited to participate in the decision-making part of Committee meetings.

Chapter VI
Prerogatives of the Committee, duties of Committee members and assessment of its functioning

Article 29. Prerogatives

1. The Committee may access, without restriction, any type of information or documentation available to the Company in connection with the matters under the Committee's authority and deemed necessary by the Committee for the performance of its functions.

2. The Committee may also enlist, with a charge to the Company, the cooperation or advisory services of external professionals, who must address their reports directly to the Committee chairman. In such case, the Committee must prevent any conflicts of interest from jeopardizing the independence of the external advice received.

Article 30. Duties of Committee members

1. Committee members must act with independence of criteria and of action with respect to the rest of the organization and must perform their work with the utmost professional diligence and skill.

2. Committee members will be subject, as such, to all the duties of a director pursuant to the Board Regulations, insofar as they apply to the functions performed by the Committee.

Article 31. Assessment

As a part of the annual assessment of the Board of Directors, the Committee will assess its efforts autonomously, with a view to enhancing its functioning and improving the planning for the following year. For such purpose, it will request an opinion from the other directors and, if it deems it appropriate, will enlist the aid of an external consultant. Independent of the procedure chosen, the Board will be informed of the aspects assessed and of the findings of the assessment, so that they can be considered in the annual assessment of the Board.