



Report issued by the Audit Committee on the Independence of the Auditors of Applus Services, S.A. during year 2019

I. Introduction

This Report on the independence of the auditors is drafted by the Audit Committee of the Board of Directors of Applus Services, S.A. (hereinafter, “**Applus**” or the “**Company**”) at its meeting held on 20 February 2020 in compliance with section 4(f) of article 529 quaterdecies of the Spanish Companies Act and article 39.7c (iii) of the Regulations of the Board of Directors of Applus (the “**Regulations**”).

The General Shareholders’ Meeting held on 30 May 2019 agreed, as proposed by the Board of Directors and, in turn, previously proposed by the Audit Committee, to reelect Deloitte, S.L. (hereinafter, the “**Auditor**”) as auditor of the Company and its consolidated group for the year 2019.

II. Analysis on the Independence of the Auditor

1. Communication with the Auditor. During the course of its activities, the Audit Committee has maintained in year 2019 the appropriate relations with the Auditor in order to receive information about issues that may imply a risk to its independence or any other issues relating to the audit process, as well as those other communications provided for in the applicable legislation on account auditing and standard audit techniques.

In this regard, the Committee has held several meetings with the Auditor, from which it received punctual and detailed information regarding the auditing services and those non-audit services provided to the Company and its group of companies, in accordance with article 39.7c of the Regulations and the Spanish accounting and audit regulations.

2. Services provided by the Auditor. The breakdown of services provided by the Auditor to the Company during year 2019 is as follows (amounts expressed in thousands of euros):

Concept	Fees (thousands of euros)
Audit Services	2,059
Other attest services	94
Tax services	205
Other services	9
Total professional services provided to the Company	2,367

The total amount for the services provided by the Auditor to the Company or its consolidated group during year 2019 is equivalent to 2,367 thousand euros, 308 thousand of which correspond to non-audit services. These amounts are not

significant in comparison with the total annual income of the Auditor, considering the average of such annual income for the last 3 years published by the Auditor.

The concept of “*Other attest services*” includes an attest report on the Corporate Social Responsibility report, a report on agreed-upon procedures in relation to the revenue obtained from vehicle roadworthiness testing in Catalonia and a report over the internal control systems of financial information (ICFR). The concept of “*Tax services*” basically corresponds to services on transfer pricing and “*Other services*” corresponds to legal advisory services relating to corporate and commercial to entities incorporated outside the European Union.

None of the aforementioned non-audit services are included in the prohibited services provided for in Law 22/2015, on Account Auditing (“*Ley 22/2015, de 20 de julio, de Auditoría de Cuentas*”), and the appointment of the Auditor was based exclusively on its ability to provide an efficient audit and an adequate price in relation to the market, in addition to its significant knowledge of the Company, which ensures a total customization of the services to the Company’s circumstances. The Audit Committee considers that the provision of audit services by the Auditor was not influenced or determined by the provision of non-audit services.

3. Statement of Independence issued by the Auditor itself. Finally, the Audit Committee confirms that it has received from the Auditor written confirmation of its independence from the Company and its group of companies, as well as information about additional services of whatever class, on an individual basis and jointly considered, provided to the Applus group by the Auditor or by any related person or entity, in accordance with the provisions established in Law 22/2015.

In such statement, the Auditor indicates that it has not identified circumstances that, individually or as a whole, could imply a significant threat to its independence and that, therefore, would require the implementation of safeguards measures or that could involve incompatibly causes.

III. Conclusion

The Audit Committee considers that, during year 2019, the Auditor has independently performed its services as the following elements have met:

- (i) In the information obtained through the aforementioned channels of communication, the Audit Committee has not identified any aspect that questions the compliance with the applicable audit laws regarding the independence of the Auditor and, in particular, it has not identified aspects of such nature related to the provision of non-audit services, whether considered individually or together;
- (ii) The fees are not influenced or determined by the provision of non-audit services, nor are they based in contingencies or conditions distinct from changes in

circumstances that serve as the base for the determination of fees, in accordance with the provisions of Law 22/2015;

- (iii) The fees for the audit and non-audit services provided do not constitute a significant percentage of the total annual income of the Auditor, considering the average for the last 3 years; and
- (iv) The Auditor has confirmed, in writing, that its independence is in accordance with the provisions in Law 22/2015 and the standard auditing techniques provided by the Institute of Accounting and Auditing.

Based on the foregoing information, the Audit Committee concludes that there are no objective reasons to question the independence of the auditor for year 2019.

In Barcelona, on 20 February 2020.