

REPORT BY THE AUDIT AND CONTROL COMMITTEE ON THE INDEPENDENCE OF THE EXTERNAL AUDITOR

Article 529 quaterdecies.4 f) of the Consolidated Text of the Spanish Limited Liability Companies Law approved by Royal Legislative Decree 1/2010 of 2 July (the “**LSC**”), as amended by *Law 22/2015 of 20 July on Accounts Auditing* (the “**Accounts Auditing Law**”), includes as one of the Audit and Control Committee’s powers, the issuance, on an annual basis and before the accounts audit report, of a report expressing: (i) an opinion on whether the independence of the accounts auditor is compromised; and (ii) a reasoned assessment of the provision of each and every additional service of any kind, considered individually and as a whole, other than the statutory audit, provided to the Company or its related entities by the auditor or entities relating to it, regarding the independence regime or the regulations governing the accounts audit.

The Audit and Control Committee of Inmobiliaria Colonial, SOCIMI, S.A. (the “**Company**”) complies with the above obligation, as stipulated in Article 32.6) of the Company Bylaws and Article 32.10) of the Regulations of the Board of Directors, by drafting this report before the accounts audit report.

The report will be published on the Company website upon the call for the Ordinary General Meeting of Shareholders, in compliance with the recommendations of the Code of Good Governance for Listed Companies.

Pursuant to Article 529 quaterdecies.4 e) of the LSC and Article 32.5) of the Company Bylaws, the Audit and Control Committee received on 23 February 2021 the Statement of Independence from PricewaterhouseCoopers Auditores, S.L. (“**PwC**”), the external auditor of the Company and its subsidiaries, concerning the audit of the individual and consolidated annual financial statements for the year ended 31 December 2020.

The external auditor’s statement reported that:

- The audit team, PwC and, if applicable, other people belonging to the audit firm and, where appropriate, other firms of the network, with the extensions that may apply to them, have met the applicable requirements of independence according to the provisions of the Spanish Accounts Auditing Law, and its implementing regulations, and *Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC*.
- The fees charged to Inmobiliaria Colonial, SOCIMI, S.A. and its related parties for all services provided amounted to 839,747 euros.

The itemised breakdown of the audit and other services for the year ended 31 December 2020 by PwC and other firms of its network is as follows:

- Accounts audit services: 606,670 euros.
 - Other audit-related services: 126,000 euros.
 - Other services: 107,077 euros.
 - **Total fees: 839,747 euros.**
- They have internal procedures to identify and assess any threats that may arise from circumstances related to companies audited, including any that might entail grounds for incompatibility and/or any that might require applying the safeguarding measures necessary to reduce threats to an acceptably low level.

- In relation to audit services for the period covered by the financial statements up to the issuance of the Statement of Independence, no circumstances have been identified, either individually or as a whole, that might significantly jeopardise their independence and therefore require the application of safeguarding measures, or that might entail grounds for incompatibility.

The Company has a procedure in place, approved by the Audit and Control Committee, to authorise the external auditor to perform services other than the accounts audit.

Pursuant to the said procedure, the Audit and Control Committee has analysed the audit and non-audit services rendered by PwC to the Company and its subsidiaries, which are attached hereto.

In view of the above, the Audit and Control Committee concludes there are no objective reasons to question the independence of the external auditor, under audit regulations, and therefore reports favourably on the independence of PwC as auditor of the Company and its subsidiaries.

Madrid, 23 February 2021

**APPENDIX – NON-AUDIT SERVICES
RENDERED BY THE EXTERNAL AUDITOR TO THE COLONIAL GROUP**

Description of the service	Company	Euros
Limited review of the Consolidated Interim Financial Statements at 30 June	INMOBILIARIA COLONIAL, SOCIMI, S.A.	45,000
Issuance of Comfort Letter in the framework of the debt (bond) issue	INMOBILIARIA COLONIAL, SOCIMI, S.A.	40,000
Issuance of Comfort Letter in the framework of the debt (bond) issue	Société Foncière Lyonnaise	25,000
Agreed-upon procedure reports on ratios linked to financing contracts	INMOBILIARIA COLONIAL, SOCIMI, S.A.	14,000
Agreed-upon procedure reports on net asset value	INMOBILIARIA COLONIAL, SOCIMI, S.A.	2,000
Total of other audit-related services		126,000
Review of different corporate information translated from French into English	Société Foncière Lyonnaise	44,052
Issuance of an independent review report on the ESG indicators contained in the 2019 Integrated Annual Report	INMOBILIARIA COLONIAL, SOCIMI, S.A.	38,000
Pre-mapping review work of the documentation to be issued in XBRL format	Société Foncière Lyonnaise	18,192
Benchmark report on total tax contributions of Ibx 35 companies	INMOBILIARIA COLONIAL, SOCIMI, S.A.	3,500
Benchmark study on the main features of Socimi companies (Real Estate Investment Trusts) in Spain	INMOBILIARIA COLONIAL, SOCIMI, S.A.	3,333
Total of non-audit services		107,077
<u>Total of other non-audit services</u>		233,077