



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

FISCAL YEAR 2019

1. INTRODUCTION

In accordance with the provisions of Article 529(14) of Royal Legislative Decree 1/2010 of 2 July, approving the consolidated text of the Companies Act, as well as Article 13.2 of the Regulations of the Board of Directors of Técnicas Reunidas S.A. (the 'Company'), it is the responsibility of the Audit and Control Committee (the 'Committee') to establish an appropriate relationship with the external auditor in order to receive information on any issues that might jeopardise their independence. Likewise, the Committee shall also issue, annually and prior to the issuance of the auditor's report, a report expressing an opinion on the independence of the auditor, which will contain, without exception, an assessment of the provision of services other than those referred to above, considered individually and in their entirety, separate from the statutory audit and related to the rules on independence or the regulations governing auditing.

In fulfilment of this obligation, the Committee has prepared this report, which will be duly published on the Company website to coincide with the Ordinary Shareholders' Meeting.

2. ANALYSIS OF EXTERNAL AUDITOR INDEPENDENCE

The auditing firm Deloitte, S.L. ('Deloitte') was appointed as auditor for the Company and its consolidated group for fiscal years 2017, 2018 and 2019, and the auditing firm PriceWaterHouseCoopers Auditores S.L. ("PWC") was and re-elected as auditor for the Company and its consolidated group for fiscal year 2019 at the General Meeting of Shareholders on 26 June 2019, where it was established that the appointed auditors should act jointly, with 96.38% of shareholder attendees with voting rights voting in favour of this proposal.

During the course of its activities throughout 2019, the Committee has held the pertinent meetings with Deloitte and PwC, from whom they have received detailed information about the non-audit services provided to the Company and other entities comprising its group of companies, in accordance with the provisions to that effect in Article 13.2 of the Regulations of the Board of Directors and in order to ensure compliance with the provisions of Article 529(14) of Royal Legislative Decree 1/2010 of 2 July, approving the consolidated text of the Companies Act.

The breakdown of the services provided by Deloitte and PwC to the Company during fiscal year 2019 is as follows (in thousands of euros):

(a) Deloitte:

	2019	2018
Auditing	599	523
Other verification tasks performed by the auditor	36	36
Other non-audit services performed by the auditor	0	0
Other non-audit services performed by entities of the net of the auditor	158	113
Total	793	672

(b) PwC:

	2019	2018
Auditing	567	485
Other verification tasks performed by the auditor	228	158
Other non-audit services performed by the auditor	31	31
Other non-audit services performed by entities of the net of the auditor	496	318
Total	1.322	992

The categories ‘Other verification tasks performed by the auditor’ and ‘Other non-audit services performed by the auditor’ include mainly advisory services relating specifically to financial matters and Corporate Social Responsibility issues. Consequently, the Committee concludes that none of the services provided by Deloitte or PwC to the Company during 2019 constitutes any of those prohibited by the Law on Auditing.

The Committee has analysed the monitoring of the issues set out in the Law on Auditing, with particular regard to business combinations involving the external auditors. The cost of services provided by Deloitte and PwC to the Company and its consolidated group for fiscal year 2019 amounts to 2.115 thousand euros (1.322 thousand euros of PwC and 793 thousand euros of Deloitte), of which 949 thousand euros (44.87% of the global amount) correspond to non-audit services (755 thousand euros of PwC and 194 thousand euros of Deloitte).

The Committee has assessed in a motivated manner the provision of each and every one of the services additional to the legal audit services provided by Deloitte and PwC during the 2019 fiscal year, both individually and as a whole, and considers that the provision of the audit services by Deloitte and PwC has not been influenced or determined by the provision of these additional services.

Similarly, the Committee has verified the observance of the obligatory rotation of the audit partner and signatory to the Company accounts, since Goretty Álvarez González was the signatory to the accounts for fiscal year 2019 on behalf of PwC, while Mr Francisco Javier Peris Álvarez was the signatory to the accounts for fiscal year 2019 on behalf of Deloitte.

Finally, the Committee confirms that they have received Deloitte's and PwC's written confirmation of their independence with regard to the Audit and Control Committee, as well as information on the non-audit services provided by the external auditors to the Company and its business group during 2019. This statement expressly indicates that during the fiscal year 2019 the auditors have found no cause for incompatibility as laid down to that effect in the Law on Auditing.

3. CONCLUSION

In view of the information available, summarised above, the Committee confirms that it has not identified any factors that jeopardise the independence of the auditors Deloitte and PwC.