

## **REPORT OF THE AUDIT COMMITTEE ON THE INDEPENDENCE OF THE EXTERNAL AUDITORS OF THE COMPANY**

### **1. Introduction**

The Audit Committee of ENCE ENERGÍA Y CELULOSA, S.A. has drafted this report in accordance with the provisions in Articles 529 quaterdecies section 4 (f) of the Capital Companies Act and 16.2 (7) of the Board of Directors Regulations, which establish that said committee must issue annually, prior to the issuance of the audit of accounts report, a report setting out an opinion on the independence of the accounts auditor.

The accounts auditor about which this report has been drafted is KPMG Auditores, S.L. (“KPMG”), with registered office in Madrid at Paseo de la Castellana 259C, with TIN B-78510153.

Prior to the preparation of this report, the Audit Committee has received the statement on its independence from the Company and entities directly or indirectly related to it from the auditor, as well as information on the additional services of any kind provided to these entities and the corresponding fees received, in accordance with legislation on account auditing.

In said statement, the auditor reports that no circumstances have been identified that individually or as a whole could pose a significant threat to their independence and that therefore require the application of safeguard measures or that could imply causes of incompatibility.

### **2. Analysis of the independence of the accounts auditor**

In order to verify the independence of the external auditor, the Audit Committee has carried out an analysis based on the following aspects:

#### *1. Hiring requirements*

The period for the hiring and renewal of KPMG meets the requirements of Article 40 of the Accounts Auditing Law, that is, the minimum duration of the initial hiring period is no less than 3 years and the hiring period does not exceed, including extensions, 10 years, and that the additional extension of said period does not exceed 4 years under the conditions set out in the Accounts Auditing Law.

#### *2. Communication with the auditor*

The Audit Committee has maintained the appropriate relations with the auditor to receive information on issues that may pose a threat to its independence and any other matters related to the process of performing the accounts auditing, as well as other communications set out in the Accounts Auditing Law and technical auditing rules.

#### *3. Statement of independence*

The Audit Committee has gathered the appropriate information from the auditor (and obtained written confirmation dated 17 March 2023, which is enclosed as an Annex) in order to confirm their independence as auditors in accordance with auditing rules.

The independence of the auditor has been analysed in response to the validity periods of incompatibilities, modified by Accounts Auditing Law 22/2015, of 20 July, and set out in point 3 a) of the fourteenth final provision of said Law.

#### 4. *Fees and additional services to account auditing*

According to the data provided by the auditor, all professional services rendered during the 2022 financial year to the Company and its Group entities amounted to a total of 279,000 euros, of which 13,000 euros correspond to other audit-related services and 31,000 euros correspond to other services, specifically the verification service under ISAE 3000 standard of the 2021 and 2022 Statement of Non-Financial Information (SNFI) included in the consolidated management report (of Ence Energía y Celulosa, S.A.).

Likewise, it has been confirmed that the fees billed to the Company corresponding to services rendered during financial year 2022 do not exceed 10% of the auditor's total income during said period, which amounts to 161,014 million euros, thus the provisions in Article 43.2 of the Board of Directors Regulations have been met.

### 3. **Conclusion**

The Audit Committee informed the Board of Directors that it deems that KPMG carried out its audit work independently during financial year 2022. Specifically:

KPMG has confirmed its independence in writing in accordance with the provisions in Regulation (EU) No 537/2014 of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities, Law 22/2015, of 20 July, on Account Audits, Royal Decree 877/2015, of 2 October approving the Regulations of the Audit Act, and the technical auditing standards issued by the Institute of Accounting and Accounts Auditing.

The fees corresponding to the audit services are set by the auditor prior to the start of their duties for the entire period in which they are required to perform them. The fees are not influenced or determined by the provision of additional services, nor are they based on contingencies or conditions other than changes in the circumstances that serve as the basis for setting the fees.

The fees for the services provided do not constitute a significant percentage of the total annual income of the auditor.

In the information obtained through the aforementioned communication channels, no aspects have been identified that significantly call into question compliance with the auditor's regulatory standards regarding the auditor's independence and, in particular, no such aspects have been identified that relate to the provision of additional services, individually or as a whole, other than the legal audit.

Madrid, 31 March 2023

## ANNEX

### STATEMENT OF INDEPENDENCE OF THE ACCOUNTS AUDITOR



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Calle Beatriz de Bobadilla, 14 28040 Madrid

Our ref.: 2023m17aga1

To the attention of the:  
Audit Committee

17 March 2023

Dear Sir or Madam,

On 26 March 2021 we were appointed auditors of the individual and consolidated annual accounts of Ence Energía y Celulosa, S.A. (hereinafter "Ence" or "the Company") and its subsidiaries (hereinafter "the Group") for the years ended 31 December 2021, 2022 and 2023.

In relation to this appointment as auditors and as required by the Technical Auditing Standard (ISA-ES) 260 (Revised) on "Communication with those charged with governance of the entity", for Public Interest Entities (PIEs) which, for the exclusive purposes of the provisions of the regulations governing the auditing of accounts, are defined in article 3.5 of Law 22/2015, of 20 July, on Account Auditing (LAC) and in article 8.1 of the Regulations implementing Law 22/2015, of 20 July, on Account Auditing (RLAC), approved by Royal Decree 2/2021, of 12 January, and the Code of Ethics of the IESBA (International Ethics Standards Board for Accountants) and considering the provisions of article 529 quaterdecies.4.e) of the revised text of the Capital Companies Act (TRLSC), approved by Royal Legislative Decree 1/2010, of 2 July (as amended by the fourth final provision of Act 22/2015, of 20 July, on Account Auditing (LAC)) and the provisions of article 80 of the RLAC, we confirm that:

- The audit engagement team, KPMG Auditores S.L. and, where applicable, other persons belonging to the audit firm and, where appropriate, other firms in the network, with the extensions applicable to them, have complied with the applicable independence requirements in accordance with the provisions of the LAC and Regulation (EU) No 537/2014 of 16 April.

The fees charged to the entity and its related entities for audit and non-audit services, with a breakdown by item, during the year ended 31 December 2022 by KPMG Auditores S.L. and other firms in its network are set out below, in order to facilitate your assessment of these fees in the context of our independence:

Thousands of Euros	Ence Energía y Celulosa, S.A.	Entities linked to Ence Energía y Celulosa, S.A.	Total	Of which subject to pre-approval by the Audit Committee
Audit services	111	124	235	-
Other audit-related services	5	8	13	13
<b>Total audit and related services</b>	<b>116</b>	<b>132</b>	<b>248</b>	-
Fiscal services	-	-	-	-
Other services	31	-	31	31
<b>Total professional services</b>	<b>147</b>	<b>132</b>	<b>279</b>	<b>44</b>

The heading "**Audit services**" includes both the fees for audit work subject to the Audit Act and the fees charged to entities related to the Company for carrying out the statutory audit applicable in each country.

Other audit-related services are included under the heading "**Other audit-related services**" as follows:

- Service of procedures agreed in relation to the commitment to comply with the obligations established in the financing contract and in the deed of issue of obligations of Magnon Green Energy, S.L. bonds (4 thousand euros).
- Service of procedures agreed in relation with the calculation of the Gross Value Added ("GVA") of Ence Energía y Celulosa, S.A. and Celulosa de Asturias, S.L. (7 thousand euros).
- Service of agreed procedures on "Information relating to ICFR" attached in the Ence Energía y Celulosa, S.A. Management Report, which summarises the Entity's internal control procedures in relation with annual financial information (2 thousand euros).

The services provided to the entity and its related entities included under the heading "Other audit-related services" are required of the Statutory Auditor by applicable regulations or it is common practice for them to be provided by the Statutory Auditor, including the performance of limited reviews, the provision of assurance services in accordance with defined standards (assurance reports, agreed-upon procedures and other standards established in local regulations) which are performed in accordance with regulatory requirements or best market practices.

In relation with these services we confirm that:

- These are not services prohibited by Article 5.1 of the EU regulation.
- We do not participate in the decision-making process of the entity contracting the services.
- Based on the content and regulation of the services, no threat to auditor independence is identified.

“Other services” includes services as follows:

- Verification service under the ISAE 3000 standard of the 2021 and 2022 Statement of Non-Financial Information (SNFI) included in the consolidated management report (31 thousand euros) of Ence Energía y Celulosa, S.A. In this regard, we confirm that:
  - It is not a service prohibited by Art. 5.1 of the EU regulation.
  - We do not participate in the decision-making process of the service contracting entity.
  - Insofar as our work is based on the preparation of an assurance report, based on the criteria described in the International Standard on Assurance Engagements (ISAE) 3000 and the Performance Guidance on Assurance Engagements on the Statement of Non-Financial Information prepared by the Spanish Institute of Chartered Accountants (ICJCE), on SNFI non-financial indicators, which do not fall within the scope of audit work and are not intended to serve as a basis for the preparation of financial statements and other accounting documents, no threat of self-review is identified.
  - In relation with the volume of service fees, insofar as the fees are not significant for either party, no significant threat of self-interest or intimidation is identified.
- No other situations or relationships have been identified between the entity and its related entities and KPMG Auditores S.L. and other firms in its network.
- Our Firm has in place internal policies and procedures designed, as described in the 'Ethics and Independence' section of the KPMG Auditores, S.L. 2022 Transparency Report available at <https://assets.kpmg.com/content/dam/kpmg/es/pdf/2023/01/informe-transparencia-kpmg-2022.pdf>, to provide you with reasonable assurance that KPMG Auditores, S.L. and its personnel, and where applicable, other persons subject to independence requirements (including personnel of network firms) maintain independence where required by applicable law. These procedures include those aimed at identifying and assessing threats that may arise from circumstances related to audited entities, including those that may represent causes of incompatibility and/or those that may require the application of the necessary safeguards to reduce threats to an acceptably low level.

This confirmation has been prepared exclusively for the addressees of this letter and should not be distributed or used for any other purpose.

Yours sincerely, KPMG Auditores, S.L.

Eduardo González Fernández  
Partner