

REPORT DRAFTED BY THE AUDIT COMMITTEE ON THE INDEPENDENCE OF THE AUDITORS OF THE COMPANY IN 2023

I. Introduction

Article 13 of the Board of Directors Regulations and article 6 of the Audit Committee Regulation of Laboratorios Farmacéuticos Rovi, S.A. (“**ROVI**” or the “**Company**”), on the regulation and functions of the Audit Committee, establishes that this Committee shall draft and issue every year, before the issue of the audit report, a report expressing an opinion on the independence of the auditors. This report must always include a reasoned assessment of the provision of each and every one of the additional services provided by said auditors, both individually and as a whole, other than the legal audit, and in relation to the status of independence or to the regulations governing the activity of auditors, in accordance with the provisions of article 529.m.4.f of Royal Legislative Decree 1/2010, of 2 July, approving the consolidated text of the Corporate Enterprises Act (the “**Corporate Enterprises Act**”).

For the preparation of this report, the independence regime set forth in Law 22/2015, of 20 July, on Audits (the “**Audit Act**”) is applicable.

The Audit Committee has therefore drafted this report, which will be available to shareholders and investors on the *website* following the call of the next Ordinary General Meeting of Shareholders.

II. Analysis of the independence of the auditors

This report is based on the document received by the Audit Committee from the Company’s auditors. It contains written confirmation of their independence with respect to the Company or entities directly or indirectly related to it, as well as information on the additional services of any kind provided to these entities by said auditors or by persons or entities related to them, under the provisions of the Audit Act.

The written confirmation signed by the auditing partner of KPMG Auditores, S.L., Ms Begoña Pradera Goiri is issued in accordance with the provisions of the Audit Act, the Corporate Enterprises Act and Articles 13 of the Regulations of the Board of Directors and 6 of the Regulations of the Audit Committee of ROVI.

The auditors of ROVI, KPMG Auditores, S.L., were re-elected by the General Shareholders’ Meeting on 14 June 2023 as the auditors of the Company and its subsidiaries, to audit the individual and consolidated annual accounts for the year ended 31 December 2023.

With respect to this appointment, in the document sent to the Audit Committee of ROVI, the auditors confirm their independence as auditors under the Audit Act and the Technical Audit Standards issued by the Institute of Accounting and Auditing.

Likewise, in order to facilitate their evaluation within the framework of their independence, they report the detail of the fees charged¹ in euros to the entity and its related entities both for audit and non-audit services, broken down by item, during the year ended 31 December 2023 by KPMG Auditores, S.L. and

¹ As indicated in the auditors’ charter of independence, a reasonable interpretation of the term “charged” would be: a) for total audit fees, the fees agreed for auditing in the audited financial year (whether invoiced or not); and b) for other services, the services invoiced during the audited year.

We also note that the amounts included by the auditor in its letter do not include as part of the fees the amounts that, in accordance with the engagement letters, it will invoice as an expense and which correspond to the cost allocation for the use of its technological structure, and which are specified in the quantitative breakdown of this report of the services provided by the auditor.

other firms in the same network.

The section "Audit Services" includes both fees for audit work subject to the Audit Act, and fees corresponding to statutory audits applicable to entities related to the Company.

The section "Other audit-related services" includes the fees for the limited review of the interim financial statements as of 30 June 2023, to the issuance of the reports referring to the Information on the Internal Control over Financial Reporting System (SCIIF) for 2022, to the compliance with financial ratios for 2022 of Laboratorios Farmacéuticos Rovi, S.A. and on the packaging declaration of Rovi GmbH, a German subsidiary of ROVI and to the issuance of a report on the review of the subsidy supporting account of Laboratorios Farmacéuticos Rovi, S.A.

The services included in this section are required from the auditor, as established by the applicable regulations, or they are commonly provided by it; among them is carrying out limited reviews, the provision of verification services in accordance with the defined standards (assurance reports, agreed procedures or other standards established under local legislation), whose performance complies with regulatory requirements or best market practices.

In this respect, the auditors confirm that:

- They are not services prohibited by article 5.1 of Regulation (EU) No. 537/2014, of 16 April.
- They do not participate in the decision-making process of the entities contracting the services.
- Based on the content and regulation of the services, no threat to auditor independence is found.

Finally, the section "Other services" includes the fees for the independent review services of the non-financial information included in the Statement of Non-Financial Information for 2022, under the ISAE 3000 standard.

In this respect, the auditors confirm that:

- They are not services prohibited by article 5.1 of Regulation (EU) No. 537/2014, of 16 April.
- They do not participate in the decision-making process of the entities contracting the service.
- To the extent to which their work is based on preparing an assurance report based on criteria described in the International Standard on Assurance Engagements (ISAE) 3000 and the Guidelines for Activity on engagements for verifying the Statement on Non-Financial Information (SNFI) prepared by the Institute of Certified Auditors of Spain (ICJCE) on the SNFI non-financial indicators, which do not enter within the scope of the audit work or are designed to serve as a basis for preparing the financial statements and other accounting documents, no significant self-review threat has been identified.
- With respect to the volume of service fees, insofar as the fees are not significant for any of the parties, no threat of self-interest or significant intimidation is identified.

With regard to the potential existence of the self-review threat under the terms established in section R600.14 of the IESBA Code of Ethics, which requires compliance with the following conditions:

- *"The results of the service will form part of or affect the accounting records, the internal controls over financial reporting, or the financial statements on which the firm will express an opinion; and*
- *In the course of the audit of those financial statements on which the firm will express an opinion, the audit team will evaluate or rely on any judgments made or activities performed by the firm or network firm when providing the service."*

Based on the analysis carried out, in none of the aforementioned services has the possibility ("might create") of the existence of a self-review threat been identified under the terms previously described.

- Finally, no other situations or relationships have been identified between the Company and its

related entities and KPMG Auditores, S.L. and other firms in the same network.

- The Auditing Firm has implemented internal policies and procedures designed, as described in the "Be ethical and independent" section of the 2023 Transparency Report of KPMG Auditores, S.L., available in the 2023 Transparency Report (kpmg.com), in order to provide reasonable assurances that KPMG, S.L. and its staff, and, where applicable, other persons subject to independence requirements (including personnel of firms in the network), maintain independence when required by the applicable regulations. These procedures include those aimed at identifying and assessing the threats that may arise from circumstances related to audited entities, including those that may represent grounds for incompatibility and/or those that may require the application of safeguarding measures to reduce threats to an acceptably low level.

To guarantee the independence of the external auditor, the Audit Committee has monitored the fees invoiced by the main audit firm for services other than auditing of the annual accounts. It has also supervised the links between the fees paid to the audit firm and its total income.

Aside from the above, the Audit Committee has gathered the appropriate information on the Company's auditor to confirm that it is not subject to any of the cases of incompatibility by which, under articles 16 to 20 of the Audit Act, the auditor would be considered not to have sufficient independence to exercise its functions with respect to ROVI.

In particular, the auditor has confirmed that the audit team, KPMG Auditores, S.L. and, if appropriate, other persons belonging to the audit firm and, where applicable, 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 Audit Act and Regulation (EU) No. 537/2014 of 16 April and they have found no circumstances that, individually or in the aggregate, could pose a significant threat to their independence and that would require the application of safeguards or that could involve grounds for incompatibility, including the following:

- a) The partner signing the audit report on the financial statements of ROVI and its subsidiaries does not hold any executive or management position in the ROVI Group. She also does not hold a position as employee or internal supervisor in ROVI or in companies in its group, and has not received general powers of attorney in her favour from ROVI or the companies in its group, and is completely independent of it as are any persons linked to her.
- b) There is no significant direct interest whatsoever on the part of Ms Begoña Pradera Goiri, the auditor signing the audit report (or persons related to her) in ROVI or in companies of its group.
- c) The auditor responsible for the audit work has not carried out any type of transaction related to financial instruments issued, guaranteed or backed in any way by ROVI.
- d) The auditor signing the audit report does not have any link (either by marriage or of blood or through marriage to the first degree of kinship, or collateral kinship to the second degree, including the spouses of persons with whom the latter have such kinship) with the employers, directors or persons responsible for the economic and financial area of ROVI or companies in its group.
- e) The partner signing the audit report did not request or accept any gifts or favours from ROVI that were not negligible or inconsequential in value.
- f) Neither the auditor signing the audit report (or persons related to him) nor the firm to which he belongs provides accounting services, or carry out materially or prepare financial statements or other accounting documents for ROVI or companies in its group.
- g) The auditor (or persons related to him) has not provided ROVI (or the companies in its group) with valuation services during the period or year audited, ended 31 December 2023.
- h) The auditor (or persons related to him) has not provided ROVI (or the companies in its group)

with internal audit services during 2023.

- i) The auditor Ms Begoña Pradera Goiri (or persons related to her) has not provided or participated in the provision of legal services for ROVI or entities of its group during 2023.
- j) The auditor has not received any fees derived from the provision of audit services and services other than audit to ROVI or companies in its group representing a significant total of annual income for the auditor, as an average of the last three years. This aspect is analysed in greater detail below.
- k) The auditor has not provided ROVI or any company in its group with design and implementation services for financial IT systems.

With respect to the conditions for engagement and rotation under articles 22 and 40 of the Audit Act, the Audit Committee has verified that the provisions of said articles have been complied with. Specifically, given that ROVI is considered an entity of public interest as a listed company, the Audit Committee has verified that it complies with the obligation that the total period for which the auditor is appointed may not exceed a maximum of 10 years (extendable for a maximum of 10 additional years). Specifically, in 2017, a new audit firm was appointed for an initial period of three years, and in 2023, that same audit firm was re-appointed for a period of one year. So this falls within the required parameters of rotation, as 2023 will be the seventh year in which KPMG Auditores, S.L. conducts the audit. In addition, this is the second year in which the current signing partner is involved in the ROVI audit.

Lastly, the Committee has noted that the fees corresponding to the audit services were set before the start of the audit of 2023, as stipulated by article 24 of the Audit Act.

As a global firm, KPMG is not involved in any of the cases of or grounds for incompatibility provided for under the Act.

In the cases stipulated in the Audit Act which may threaten the independence of the auditor, there is one, in article 25, which in the case of ROVI requires a detailed analysis:

- *“There will be an obligation to refrain from carrying out the corresponding audit in the next year when the accrued fees derived from the provision of audit services and non-audit services in the last three consecutive years to the audited entity and its related entities, by the auditor or audit firm and those who form part of the network, represent over 30 per cent of the total annual income of the auditor or audit firm and said network.”*

On this point, the law is referring to whether the percentage weight of the total fees represented by the ROVI Group and its related entities out of the total income of KPMG Auditores, S.L. and the entities within its network could represent a case of lack of independence. In this respect, the total average income of KPMG in Spain in the three previous years was over 162 million euros, which, compared with the fees received from ROVI and its related entities in this period (including audit services, other services related to auditing and other services), is not significant and, in any case is far below the 30 per cent of the total annual income of the auditor.

The total fees charged² by KPMG Auditores, S.L. at 31 December 2023 for audit and other audit-related services provided to ROVI and its subsidiaries in Spain amount to 218 thousand and 48 thousand euros

² The information included in the charter of independence issued by the auditor considers the term “charged”: a) for total audit fees, the fees agreed for auditing in the audited financial year (whether invoiced or not); and b) for other services, the services invoiced during the audited year.

We also note that the amounts included by the auditor in its letter do not include as part of the fees the amounts that, in accordance with the engagement letters, it will invoice as an expense and which correspond to the cost allocation for the use of its technological structure, and which are specified in the quantitative breakdown of this report of the services provided by the auditor.

respectively. These amounts do not include 11 thousand and 2 thousand euros, respectively, corresponding to the cost allocation for the use of KPMG's technological structure, which are also included in the engagement letters with the auditor. KPMG Asesores, S.L. and KPMG Auditores, S.L. charged 21,000 euros and 25,000 euros, respectively, to review the 2022 and 2023 Non-Financial Information Statement of Laboratorios Farmacéuticos Rovi, S.A. These amounts do not include 2,000 euros corresponding to the cost allocation for the use of KPMG's technological structure, which are also included in the engagement letters with the auditor.

In 2023, KPMG Auditores, S.L. also provided audit services to Norbel Inversiones, S.L. (controlling shareholder of ROVI) and Enervit Nutrition, S.L., both companies related to ROVI, amounting to 29 thousand and 18 thousand euros, respectively. Enervit Nutrition, S.L. left the scope of control of ROVI in November 2023. These amounts do not include 2 thousand and 1 thousand euros, respectively, corresponding to the cost allocation for the use of KPMG's technological structure, which are also included in the engagement letters with the auditor.

In addition, in 2023, KPMG Asesores, S.L. provided the company Norbel Inversiones, S.L. (a party related to ROVI) with services to review the 2022 Statement of Non-financial Information for an amount of 8 thousand euros.

The total of all the above amounts does not represent a significant figure out of the total income of KPMG Auditores, S.L. for 2023, since its turnover exceeded 172 million euros.

In addition:

- The total fees received by KPMG, S.A. at 31 December 2023 for the audit services provided to Rovi, S.A.S., a French subsidiary of ROVI, total 12 thousand euros, which does not include the 1 thousand euros corresponding to the cost allocation for the use of KPMG's technological structure, which are also included in the engagement letter with the auditor.
- The fees received by KPMG AG at 31 December 2023 for the audit services provided to Rovi GmbH, a German subsidiary of ROVI, amount to 35 thousand euros, which does not include the 2 thousand euros corresponding to the cost allocation for the use of KPMG's technological structure, which are also included in the engagement letter with the auditor. In addition, KPMG AG provided services for the issuance of an agreed-upon procedures report on the packaging declaration of Rovi GmbH in the amount of 8 thousand euros.
- The total fees received by KPMG S.p.A. *Revisione e organizzazione contabile* at 31 December 2023 for the audit services provided to Rovi Biotech S.R.L. an Italian subsidiary of ROVI, amount to 28 thousand euros, which does not include the 1 thousand euros corresponding to the cost allocation for the use of KPMG's technological structure, which are also included in the engagement letter with the auditor.

III. Conclusion

The Committee is of the opinion that in 2023, the auditor of the Company and its consolidated group, KPMG, has carried out its audit work with independence, given the following considerations:

- The auditor confirms its independence under the Audit Act.
- In 2023, the auditor did not report any issue in its relations with the Audit Committee that could endanger its independence.
- The fees corresponding to the audit services are determined before the auditor begins its functions and for the whole period in which they must be performed. 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 circumstances which serve as a basis for determining the fees,

as stipulated in article 24.1 of the Audit Act, according to which contingent fees in the engagement of an audit are those in which the remuneration is calculated according to a pre-established formula depending on the results of a transaction or actual work of the auditor.

- The accrued fees derived from the provision of audit services and non-audit services do not represent more than 30% of the total annual income of the auditor in the last three consecutive years.
- This was the second year of work of the current partner of the audit firm (out of a total of seven years of the audit firm), a period that complies with the period established by the regulations in force for the mandatory rotation of the auditor signing the audit report and the maximum period of ten years for the engagement of the auditor.

In light of the above, the Audit Committee has verified that the work contracted with the auditor complies with the requirements of independence established in the Audit Act.

The Audit Act and Corporate Enterprises Act require the Audit Committee to issue a report every year before the audit report is issued expressing an opinion on the independence of the auditors. Based on this requirement and the information given above, the Audit Committee has concluded that there are no objective reasons to question the independence of the auditor.

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Madrid, 26 February 2024