

REPORT ON THE INDEPENDENCE OF THE EXTERNAL AUDITOR OF THE COMPANY AND ITS CONSOLIDATED GROUP CORRESPONDING TO 2016

The Audit Committee of *Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A.* (hereinafter BME or the Company), at its meeting held on 27 February 2017, in accordance with the provisions of section 4.f) of article 529 *quaterdecies* of the Companies Act and section 2.h) of article 19 of the Board of Directors Regulations, issues the following report on the independence of the external auditor of BME and its consolidated Group corresponding to 2016.

I.- Applicable legislation.

Section 4.f) of article 529 *quaterdecies* of the Companies Act establishes that the Audit Committee must *"issue an annual report expressing an opinion prior to the issue of the accounts audit report on whether the independence of the auditors or auditing companies has been compromised. In any event, the report must contain a reasoned assessment of the provision of each and every one of the additional services referred to in the previous letter, considered individually and together, different to the statutory legal services, and in relation to the regime of independence or the regulations governing the auditing of accounts"*.

Moreover, section 4.e) of the said law considers that the Audit Committee *"(...) Must in any event, receive from the external auditors an annual statement of their independence in relation to the entity or entities linked to the latter, whether directly or indirectly, as well as detailed and individual information on the additional services of any class provided and the corresponding fees received from these entities by the external auditor or by the persons or entities related to the latter in accordance with the regulations governing the auditing of accounts"*.

These responsibilities are outlined in Article 19, sections 2.g) and 2.h) of the Board of Directors Regulations, which entrusts the Audit Committee, within the competences relating to the maintenance of the relationship with the external auditors, with the following:

"g) (...) Each year the external auditors will issue written confirmation of their independence from the Company, as well as detailed and individualized information on any other type of service provided and the related fees received by the external auditors or persons or entities related thereto.

h) To issue a report each year, prior to the auditor's report, stating an opinion on whether the independence of the auditors and has been compromised. This report should contain a reasoned assessment of the provision of each and every one of additional service, considered individually or on a whole, other than the legally stipulated audit and in relation to the independence or regulations governing the audit."

II.- Regulation of the independence of the Auditor or Auditing Companies.

The article 14, section 1, of Law 22/2015, of 20 July, on the Auditing of Accounts, establishes that *"The Auditors and auditing companies must be independent to the audited entities in the performance of their duty, duly abstaining from acting when their independence in relation to*

the review and verification of the annual accounts, financial statements or other accounting documents may be compromised”.

In this regard, section 3 of article 14 of the Law on the Auditing of Accounts establishes that “*the auditors of accounts and auditing companies must abstain from auditing the accounts of an entity in any circumstances in which there may be grounds for a conflict of interests pursuant to articles 16 to 20 or of the situations contemplated in articles 23, 25, 39 and 41”.*

III.- Provision of additional services by PricewaterhouseCoopers Auditores, S.L. and related companies.

Written confirmation of independence received from the auditors of the Company has been taken into account for the purposes of this report in accordance with the provisions of article 529 *quaterdecies*, section 4.e) of the Companies Act, which includes the information on the fees corresponding to the auditing services and additional services of any other class provided to BME and its Group companies by the auditors or any persons or entities related thereto.

The fees received by *PricewaterhouseCoopers Auditores, S.L.*, and its related companies in 2016 from BME and its consolidated Group for auditing work and services additional to those of auditing accounts are as follows:

	Auditing	Additional services	Total
BME	273	6	279
Consolidated group	245	0	245
Total	518	6	524

(Figures in thousands of €)

The fees paid to *PricewaterhouseCoopers Auditores, S.L.* for the auditing services correspond to the amounts received for the auditing of the separate and consolidated financial statements of BME, the half yearly consolidated financial statements of BME and the separate financial statements of the companies of the Group.

Services in addition to those of the auditing provided by *PricewaterhouseCoopers Auditores, S.L.*, and its related companies, are detailed in the report on the information relating to the Internal Control over Financial Reporting System (ICFRS) for BME.

In relation to the aforementioned additional services, the Audit Committee states that these are services directly related to those of the auditing of the annual financial statements, with these serving as a basis for the report on information relating to the ICFRS.

IV.- Audit Commission opinion on the independence of the Auditor or Auditing Companies.

The Audit Committee has received from the auditor confirmation of its independence in accordance with the criteria indicated in the Law on the Auditing of Accounts and that no circumstances have been identified which, either individually or in their entirety, would compromise its independence.

The Audit Committee has verified that the fees paid to the auditors corresponding to the year 2016 for the auditing services correspond to the fees established at the start of the renewal

of its three years-term which began on 1 January 2016, and that these are not influenced or determined by the provision of additional services. In addition, it can be deduced from the data included in the foregoing section that the fees for the services in addition to those of the auditing of the accounts do not constitute a significant percentage of the total annual income of the auditor.

In view of the foregoing, the Audit Committee considers that the auditor has sufficient independence for the performance of its functions and, as a result, *PricewaterhouseCoopers Auditores, S.L.*, has acted with the independence required by the applicable legislation.

V.- Publishing of the report.

This report on the independence of the external auditor of BME and its consolidated Group for 2016 will be published on the Company's website, www.bolsasymercados.es, together with the inclusion of the separate and consolidated financial statements of the Company.

Madrid, 27 February 2017