



## FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

### **FULL WORDING OF RESOLUTIONS AGREED BY THE ORDINARY GENERAL SHAREHOLDERS MEETING SCHEDULED FOR 29 JUNE 2021 ON FIRST CALL**

#### **1. Financial statements and corporate management:**

##### **1.1. Examination and approval, WHERE applicable, of the financial statements and management reports corresponding to Fomento de Construcciones y Contratas, S.A. and its Consolidated Group for the 2020 business year.**

"Approval of the Financial Statements and Management Report corresponding to FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. for the 2020 business year. (the "**Company**") and entities in its Consolidated Group. These documents were endorsed by the Audit and Control Committee and verified by the Company's Statutory Auditor."

##### **1.2. Examination and approval, where appropriate, of corporate management during the 2020 business year.**

"Approval of the management of the Board of Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. during the business year ended on 31 December 2020."

##### **1.3. Examination and approval, where appropriate, of the status of non-financial information corresponding to the business year ended 31 December 2020 and which is part of the consolidated management report.**

"Approval of the status of consolidated non-financial information corresponding to the business year ended 31 December 2020, which is an integral part of the consolidated management report for that business year."

##### **1.4. Examination and approval, where appropriate, of the proposed application of the results for the 2020 business year.**

"Apply the 2020 profit of 250.824.381,14 euros as follows:

To legal reserves: 3.368.358,40 euros

To voluntary reserves: 247.456.022,74 euros"

#### **2. Appointment of Ms Alicia Alcocer Koplowitz as proprietary director.**

"To appoint Ms Alicia Alcocer Koplowitz to the Board of Directors as a proprietary director following a favourable report by the Appointments and Remuneration Committee, effective as at the date of this Meeting and for the statutory period of four (4) years."

#### **3. Modification of the Articles of Association of the Company:**

##### **3.1. Modification of article 6 ("Shares") of the Second Title (Capital Stock and Shares) of the Articles of Association.**

"In accordance with the report by the Board of Directors that has been available to shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of article 6 ("Shares") of the Second Title (Capital Stock and Shares) of the Articles of Association, which will be expressed in the following terms:

**"Article 6. Shares**

1. *The shares are represented by book entries, and their accounting records are kept by the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores (IBERCLEAR), or the entity or entities to which, in accordance with the Act, this function corresponds, and shall be governed by the provisions of the regulations governing the securities market. Each share grants the right to one vote.*
2. *The Company or a third party appointed by it will have the right to obtain at any time from the central securities depository the information provided by law that enables the identity of its shareholders to be established, in order to communicate directly with them with a view to facilitating the exercise of their rights and their involvement in the Company. If the entity or person legitimised as shareholder by virtue of the accounting record of the shares is an intermediary entity that holds such shares on behalf of beneficial owners or another intermediary entity, the Company or a third party designated by it may ask the intermediary entity to identify the beneficial owners directly or do so indirectly through the central securities depository, under the terms of prevailing laws.*

*By means of the corresponding resolution of the Board of Directors, the Company may in turn create a Register of Shareholders for the purposes of being able to communicate with them, all in accordance with the applicable regulations at all times."*

**3.2. Modification of articles 14 ("Responsibilities of the General Shareholders Meeting"), 18 ("Legal standing with regard to attending the Shareholders Meeting"), 19 ("Proxy"), 20 ("Remote casting of votes"), 24 ("Right to information") and 26 ("Deliberations. Adopting resolutions. Minutes") for Section 1 (regarding the General Shareholders Meeting) of the Third Title (regarding the Governance of the Company) of the Articles of Association.**

"In accordance with the report by the Board of Directors that has been available to shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of articles 14 ("Responsibilities of the General Shareholders Meeting"), 18 ("Legal standing with regard to attending the Shareholders Meeting") -the heading for which is modified to "Right of Attendance"-, 19 ("Proxy"), 20 ("Remote casting of votes") -the heading is modified to "Remote casting of votes prior to the Shareholders Meeting"-, 24 ("Right to information") and 26 ("Deliberations. Adopting resolutions. Minutes") for Section 1 (regarding the General Shareholders Meeting) of the Third Title (regarding the Governance of the company) of the Articles of Association, which will be expressed in the following terms:

**«Article 14. Powers of the General Shareholders Meeting**

*The General Shareholders Meeting shall decide on the matters attributed to it by law, by these Articles of Association and by the Regulations for the General Shareholders Meeting and, in particular, on the following:*

- a) *The approval of the financial statements, the allocation of profits and the approval of corporate management.*

- b) *The approval, where appropriate, of the status of non-financial information.*
- c) *The appointment, ratification and dismissal of directors, as well as the appointment and removal of the liquidators and, if applicable, the auditors, as well as the exercise of corporate responsibility action against any of them.*
- d) *The modification of these Articles of Association.*
- e) *The increase and reduction of the capital stock, as well as the delegation to the Board of Directors of the power to increase the capital stock, in which case it may also confer on it the power to exclude or restrict the right of first refusal under the terms established by law.*
- f) *The issue or creation of new categories or series of shares.*
- g) *The issue of bonds and other securities which, in accordance with the regulations applicable at any given time, are the responsibility of the General Shareholders Meeting and the delegation to the Board of Directors of the power to issue them.*
- h) *The elimination or limitation of the right of first refusal.*
- i) *The acquisition, sale or contribution to another company of essential assets; as well as the transfer to dependant entities of essential activities undertaken up to that moment by the Company, even though it maintains full control of these.*  
  
*Operational activities and assets shall be presumed to be essential when the volume of the transaction exceeds twenty-five percent (25%) of the total assets on the balance sheet.*
- j) *The transformation, merger, spin-off, general assignment of assets and liabilities and transfer of the registered office abroad.*
- k) *The dissolution of the Company.*
- l) *The approval of the final balance sheet for liquidation.*
- m) *Operations where the effect is equivalent to the liquidation of the Company.*
- n) *The approval of related-party transactions whose approval corresponds to the General Shareholders Meeting in the terms envisaged in the Law.*
- o) *The policy on the remuneration of directors under the terms established by Law.*
- p) *Any system of remuneration or incentives to directors or senior management consisting of the delivery of shares, share options or in any way linked to the value of the share.*
- q) *Authorisation for the acquisition of own shares within the legal boundaries.*
- r) *The approval and modification of the Regulations of the General Meeting.*
- s) *Any other matters as determined by law or these Articles of Association. “*

**"Article 18. Right of attendance**

1. *Shareholders holding one or more shares, including those without voting rights, whose ownership is recorded in the corresponding book-entry register five (5) days prior to the date on which the General Meeting is to be held and who so prove in accordance with the terms set forth in the Regulations of the General Meeting and in the notice of call, are entitled to attend the General Meetings.*
2. *Directors, managers, technicians and other persons with an interest in the proper conduct of corporate affairs may also attend the General Meetings, when required to do so. The directors of the Company are obliged to attend but their presence is not necessary for the valid constitution of the Meeting. In all matters not established in this article, with regard to the right to attend the Meeting, the provisions of the Act shall apply.*
3. *Shareholders may attend and vote at the General Shareholders Meeting and grant the corresponding proxy, in accordance with the provisions of these Articles of Association and the Regulations for the General Shareholders Meeting.*
4. *From the announcement of the meeting and until the General Shareholders Meeting is held, the Company shall publish uninterruptedly on its corporate website, information regarding remote communication media, including electronic media, which shareholders may use to exercise their rights of representation, voting and, where appropriate, attendance. It will also include the terms, forms and methods of exercising the rights of shareholders attending the meeting by electronic or remote means, if this possibility is provided for."*

#### **"Article 19. Proxy**

1. Any shareholder entitled to attend may be represented at the General Meeting by another person, even if that person is not a shareholder. The representation should be conferred in the terms and within the scope established by law, in writing and specifically for each meeting, except for a spouse, ascendant or descendant of the represented shareholder or general proxy, in a public document, in order to manage all the assets that the represented shareholder has in national territory.
2. Proxies may also be granted by post, e-mail or any other remote means of communication which, duly guaranteeing the identity of the represented party and the proxy and, where appropriate, the security of the electronic communications, the Board of Directors shall determine at the time of calling each meeting, in accordance with the provisions of the Regulations for the Company's General Shareholders' Meeting.
3. The President, the Secretary of the General Meeting, or the persons appointed through this party, shall be deemed empowered to determine the validity of the proxies granted and compliance with the requirements for attendance at the Meeting.
4. Proxy will always be revocable. The personal attendance, physical or electronic, of the person represented at the Meeting will imply the revocation of the proxy granted, whatever the date of this.
5. Intermediaries who appear legitimised as shareholders by virtue of the accounting record of the shares but who act on behalf of various other final beneficiaries may in any case divide their vote and exercise it divergently in compliance with different voting instructions, if they have received them. They may also delegate the vote to each of the final beneficiaries or to third parties designated by them, without being able to limit the number of delegations granted.



6. The Board of Directors may develop the above provisions, establishing the rules, means and procedures appropriate to the state of the art to implement the granting of remote representation, in accordance with the provisions of these Articles of Association and the Regulations of the General Meeting. »

**"Article 20. Remote casting of votes prior to the Meeting.**

1. *Votes on proposals regarding items included on the agenda of any type of General Meeting may be exercised by the shareholder prior to the General Meeting by means of postal or electronic correspondence or any other remote means of communication which, duly guaranteeing the identity of the person voting and the security of electronic communications, the Board of Directors shall determine at the time of calling each meeting, in accordance with the provisions of the Regulations of the Company's General Shareholders' Meeting.*
2. *Shareholders who cast their votes remotely in accordance with the provisions of this article shall be deemed to be present for the purposes of constituting the General Meeting in question.*
3. *Personal attendance, physical or electronic, at the General Shareholders' Meeting shall have the effect of revoking the vote cast by post or electronic means.*
4. *The Board of Directors may develop the above provisions, establishing the rules, means and procedures appropriate to the technological status to implement the granting of remote representation, in accordance with the provisions of these Articles of Association and the Regulations for the General Shareholders Meeting."*

**"Article 24. Right to information**

1. Shareholders may request, in writing or by other electronic or remote communication means, from the Board of Directors, up to the fifth calendar day prior to the date on which the meeting is scheduled to be held on first call, any information or clarification they consider necessary, or ask any questions they consider pertinent, regarding the items on the agenda, the information accessible to the public provided by the Company to the National Securities Market Commission since the last General Meeting was held, and the auditor's report. The information or clarifications so requested will be provided by the Board of Directors in writing until the day of the General Shareholders Meeting.
2. Requests for information or clarification of the matters or information referred to in the preceding section made verbally by shareholders who physically attend the General Meeting during the meeting prior to consideration and discussion of the items on the agenda, or in writing from the fourth calendar day prior to the scheduled date of the General Meeting, shall be answered verbally and during the General Meeting by any of the directors present, as indicated by the President. If the information or clarifications requested relate to matters within the responsibilities of the Audit and Control Committee, they shall be provided by any of the members or consultants to this Committee present at the meeting. If, in the opinion of the President, it is not possible to satisfy the shareholder's right at the Meeting itself, the information to be provided will be sent in writing to the requesting shareholder within seven (7) calendar days following the end of the General Shareholders Meeting.
3. The provisions of the previous section shall be understood without prejudice to the fact that the shareholders who attend by electronic means may request the information or clarifications that they consider appropriate about the matters referred to in the previous section in the terms



provided in the announcement of the call in accordance with the provisions for the applicable regulations.

4. The Board of Directors is obliged to provide the information requested under the three previous sections, unless this information is unnecessary for the protection of the rights of the shareholder, or there are objective reasons to believe that it could be used for non-corporate purposes or where its disclosure could be detrimental to the Company or its related companies.

The information requested may not be denied when the request is supported by shareholders representing at least twenty-five percent (25%) of the capital stock.

5. The Company has a website containing the legally required information that shareholders may use to exercise their right to information, in accordance with the legislation applicable at the time. Valid requests for information, clarifications or questions made in writing and the answers provided in writing by the directors will be included on the company's website at the time the information is provided to the requesting party. In this regard, when, prior to asking a specific question, the information requested is clearly, expressly and directly available to all shareholders on the Company's website under the question-answer format, the Board of Directors may limit its response to referring to the information provided in that format."

#### ***"Article 26 Deliberations. Adopting resolutions. Minutes***

1. The President will direct the proceedings of the Meeting and the deliberations, granting the right to speak, to all shareholders who have requested it in the terms envisaged in the Regulations for the General Shareholders Meeting, until it is considered that the matter has been sufficiently debated.
2. The General Meeting will vote separately on those matters that are substantially independent and, in any case, although they are included in the same point on the Agenda, the appointment, ratification, re-election or dismissal of each director should be voted separately, as well as, in the modification of the Articles of Association, the modification of each article or group of articles that have their own autonomy, as well as the matters referred to in the following section.
3. Resolutions shall be adopted by a simple majority of the votes of shareholders present or represented at the Meeting, on the understanding that a resolution is adopted when it obtains more votes in favour than votes against from the capital present or represented, except in the cases in which the Law or these Articles of Association require a qualified majority.

In particular, the issuance of shares or bonds or securities convertible into shares with the exclusion of the first right of refusal in favour of the shareholders of the Company shall be approved when more than fifty percent (50%) of the subscribed capital stock present or represented with voting rights vote in favour.

4. Each share with voting rights present or represented at the Meeting shall grant the right to one vote.
5. For each resolution, the number of shares for which valid votes have been cast, the proportion of capital stock represented by such votes, the total number of valid votes, the number of votes for and against each resolution, and the number of abstentions, if any, will be determined.
6. The resolutions of the Meeting, with a summary of the matters debated and the speeches for



which confirmation has been requested, will be recorded through minutes meeting the legal requirements, which will be signed by the Secretary, with the approval of the President, or those who have replaced them. The minutes may be approved by the Meeting itself at the end of the meeting or, failing this, and within a deadline of fifteen (15) days, by the President of the General Shareholders Meeting and two (2) shareholders, one representing the majority and the other the minority.

7. The Minutes approved in any of these forms shall be enforceable as from the date of its approval. In the event that the presence of a notary has been required to draw up the Minutes, the Notarial Minutes will not be submitted for approval and will be considered the Minutes of the Meeting.
8. The certifications of the Minutes and the resolutions of the General Shareholders Meetings will be issued by the Secretary or Deputy Secretary of the Board of Directors with the approval of the President or, where applicable, the Vice President of the Board itself.
9. The resolutions approved and the results of the voting shall be published in full on the Company's website within five (5) days following the end of the General Meeting. ”

**3.3. Incorporation of a new article 18 bis ("Attendance at the General Shareholders Meeting by electronic means. Exclusively telematic Shareholders Meetings") to Section 1 (regarding the General Shareholders Meeting) of the Third Title (regarding the Governance of the company) of the Articles of Association**

"In accordance with the report by the Board of Directors that has been available to shareholders since the publication of the call for the General Shareholders Meeting, to approve the incorporation of a new article 18 bis (" Attendance at the General Shareholders Meeting by electronic means. Exclusively telematic Shareholders Meetings") to Section 1 (regarding the General Shareholders Meeting) of the Third Title (regarding the Governance of the company) of the Articles of Association. which will be expressed in the following terms:

***"Article 18 bis. Attendance at the General Shareholders Meeting by electronic means. Exclusively telematic Shareholders Meetings.***

1. *The Company may enable attendance at the General Shareholders Meeting by electronic means that duly guarantee the identity of the subject and the casting of the vote remotely during the Meeting, provided that the Board of Directors so agrees. In this case, the call will describe the deadlines, forms and modes of exercise of the shareholders' rights provided for by the Board of Directors to enable the General Shareholders Meeting to be properly conducted.*

*The Regulations for the General Shareholders Meeting may attribute to the Board of Directors the regulation, with regard to the Law, the Articles of Association and the Regulations for the General Shareholders Meeting, of all necessary procedural aspects.*

2. *The General Shareholders Meeting may be called to be held exclusively electronically and, therefore, without physical attendance by the shareholders, their representatives and, where appropriate, the members of the Board of Directors, provided the Board of Directors so agrees and it is permitted under the applicable regulations.*

*When the General Meeting is held exclusively remotely, it shall comply with the provisions of the law and the Articles of Association, as well as with the implementation thereof contained in*

*the General Meeting Regulations and, in all cases, shall be subject to the identity and legal standing of the shareholders and their representatives being duly guaranteed and to all attendees being able to participate effectively in the meeting by means of the remote communication media permitted in the notice of call, both to exercise in real time the rights to speak, information, proposal and vote to which they are entitled, and to follow the speeches of the other attendees by the means indicated, taking into account technological possibilities and the circumstances of the Company, all in accordance with prevailing laws.”*

**3.4. Modification of articles 28 ("Members"), 30 ("Requirements and duration of the position"), 36 ("Executive Committee and Managing Director") and 37 ("Functioning of the Executive Committee") of Section 2 (regarding the Board of Directors) of the Third Title (regarding the Governance of the Company) of the Articles of Association.**

"In accordance with the report by the Board of Directors that has been available to shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of articles 28 ("Members"), 30 ("Requirements and duration of the position"), 36 ("Executive Committee and Managing Director") and 37 ("Functioning of the Executive Committee") of Section 2 (regarding the Board of Directors) of the Third Title (regarding the Governance of the Company) of the Articles of Association, which will be expressed in the following terms:

**"Article 28. - Members**

- 1. The Board of Directors will be made up of a minimum of nine (9) and a maximum of fifteen (15) members. The General Shareholders' Meeting shall be responsible for determining the specific number of its members, i.e. the minimum and maximum number of members referred to above.*
- 2. Directors shall be classified as executive or non-executive, and a distinction shall be made within the latter between proprietary, independent and other external directors, all in accordance with the corresponding legal provisions.*
- 3. Specifically, the Board of Directors should have three independent directors, who should be elected by the General Shareholders' Meeting on the basis of the application of criteria of rigorous professionalism and full independence, and should be proposed for election by the Appointments and Remuneration Committee following a proposal from it, by a company of recognised prestige responsible for the selection of directors of listed companies. In turn this party should act in its selection process in accordance with the profile of the director sought by the Company and in order to satisfy the requirements of professionalism and independence that are required at all times both by law and by good corporate governance practices. The selected candidates will be proposed to the Board of Directors and by the latter to the General Shareholders Meeting unless vacancies are directly filled by co-option.*
- 4. The Board of Directors should ensure that the selection procedures for its members favour diversity with regard to issues such as age, gender, disability or training and professional experiences and knowledge and they do not suffer from implicit biases that may imply any discrimination and, in particular, that facilitate the selection of female directors in a number that allows a balanced presence of women and men to be achieved.”*

**"Article 30. - Requirements and duration of the position**

- 1. To be a director, it is not necessary to be a shareholder and natural persons of recognised good repute, ability, technical competence and experience may be appointed as such.*





2. *Directors may not be directors if they are affected by any legal cause of incapacity or incompatibility provided for in the applicable regulations.*
3. *Directors may serve for a term of no more than four (4) years, but may re-elected one or more times for terms of equal length."*

**"Article 36. - Executive Committee and Managing Director**

1. *The Board of Directors may appoint, from among its members, an Executive Committee and a CEO, and permanently delegate, to that Committee, and in the CEO, all or part of the powers that may be legally, statutorily or in accordance with the Regulations of the Board of Directors, notwithstanding the powers of attorney that may be conferred on any person.*
2. *Permanent delegation of one or more of the powers that the Board of Directors may delegate to one of the directors or to the Executive Committee, and appointment of the directors who are to hold such positions, will require the favourable vote of at least two thirds of the members of the Board, and will not take effect until it has been registered in the Mercantile Registry."*

**"Article 37. - Functioning of the Executive Committee**

1. *When the Executive Committee is created, the Board of Directors will determine its powers and appoint the directors who are to form part of it.*
2. *The Executive Committee shall be convened by its President, or on his or her own initiative, or when requested by two (2) of its members, by means of a letter, telegram, e-mail or fax, addressed to each of its members at least forty-eight (48) hours prior to the date of the meeting, although it may be convened immediately twenty-four (24) hours in advance for urgent reasons, in which case the agenda of the meeting shall be restricted to the issues that were the cause of the urgency.*
3. *In the absence or if it is impossible for the President of the Executive Committee to attend a meeting, or if this position has been vacated, the meeting may be called by the member of the Committee who has served in his/her position the longest and, in the event of a tie, the oldest in age.*
4. *Meetings shall be held at the Company's registered office or at any place designated by the President and indicated in the call.*
5. *For the Executive Committee to be validly constituted, the majority of its members should be present or represented at the meeting.*
6. *Those absent may be represented by another member of the Executive Committee, by writing to the President of the Committee.*
7. *Deliberations shall be guided by the President, who shall hand the floor over to attendees who ask to speak.*
8. *In the absence of the President of the Executive Committee or if this position has been vacated, his or her duties may be undertaken by the member of the Committee elected to this post by the majority of those in attendance at the meeting.*
9. *Resolutions shall be adopted by an absolute majority of the Committee's members.*

10. *In the event of a tie, the matter will be submitted to the Board of Directors, for which purpose the members of the Executive Committee will request that it be convened in accordance with the provisions of Article 32 of these Articles of Association, unless a meeting of that body has already been called within the following thirty calendar days, in which case the Committee will ask the President of the Board to include the items on which the tie has occurred in the agenda of that meeting."*

**3.5. Modification of article 38 ("Remuneration") of Section 2 (regarding the Board of Directors) of Title Three (regarding the Governance of the Company) of the Articles of Association.**

"In accordance with the report by the Board of Directors that has been available to shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of article 38 (" Remuneration ") of Section 2 (regarding the Board of Directors) of the Third Title (regarding the Governance of the Company) of the Articles of Association, which will be expressed in the following terms:

**"Article 38. Remuneration**

1. *The position of director is remunerated.*
2. *The remuneration of the directors in their capacity as such shall consist of (i) a share in the net profits, which may not exceed two percent (2%) of the profit for the year attributed to the Company in the consolidated financial statements of the Group of which it is the parent company, once the legal reserve has been covered and a dividend of at least four percent (4%) of the par value of the shares has been paid to the shareholders; the percentage corresponding to the Board of Directors as a whole for this item in each year shall be established by the General Shareholders' Meeting; and (ii) allowances for attendance at meetings of the Board and its internal committees.*
3. *It is the responsibility of the Board to determine the remuneration of each director in their capacity as such within the statutory framework and the remuneration policy, following a report from the Appointments and Remuneration Committee, taking into account the functions and responsibilities undertaken by each one within the Board itself or the internal Committees, as well as their actual attendance at the meetings of the same of which they are members, and other criteria provided for in the Regulations of the Board of Directors.*
4. *The remuneration of directors must in any case be in reasonable proportion to the importance of the Company, its economic situation at any given time and the market standards of comparable companies. The remuneration system established must be aimed at promoting the long-term profitability and sustainability of the Company and incorporate the necessary precautions to avoid excessive risk taking and the rewarding of unfavourable results.*
5. *In addition to the provisions in the previous sections, the remuneration for the executive functions of the Chief Executive Officer and other directors to whom functions of this nature are attributed by virtue of other titles, may consist of a fixed annual remuneration, a variable remuneration based on different parameters, savings and pension systems, severance pay, non-competition and insurance agreements and a system of remuneration in kind for the management team, all in accordance with the provisions of the directors' remuneration policy and the contract that exists between the director and the Company.*

*The contract to be entered into between the director and the Company should be previously approved by the Board of Directors with the favourable vote of at least two-thirds of its members, and should be included as an annex to the minutes of the meeting. The director concerned should*

*abstain from attending the deliberation and from participating in the vote. This contract, which should be in accordance with the Company's remuneration policy, should contain all the details required by law and, in particular, include all the concepts for which the director may obtain any remuneration for the performance of executive duties.*

6. *The Board of Directors is responsible for the individual determination of the remuneration of each director for the performance of the executive duties assigned to him or her within the framework of the remuneration policy and in accordance with the provisions of his contract, following a report from the Appointments and Remuneration Committee.*
7. *The remuneration set forth in the above paragraphs shall be compatible with other employment, service or professional remuneration accruing to directors for the performance of advisory or other duties other than those corresponding to directors in their capacity as such or, as the case may be, for the executive duties attributed to them.*
8. *Furthermore, the Company will in any case hold third-party liability insurance for its directors.*
9. *In accordance with the resolution adopted by the General Shareholders Meeting in this regard, the remuneration of the directors may also, independently of the provisions of the previous sections, consist of the delivery of shares or share options or remuneration linked to the value of the Company's shares.*
10. *The remuneration policy for the directors should comply with the statutory remuneration system and will be approved by the General Shareholders Meeting as a separate item on the agenda, and should establish at least the maximum amount of the annual remuneration to be paid to all of the directors in their capacity as such and the criteria for their distribution in accordance with the functions and responsibilities attributed to each of them, the amount of the annual fixed remuneration corresponding to the directors for the performance of their executive functions and other provisions established in the Law.*
11. *The Board of Directors shall draw up an annual report on the remuneration of the directors, containing that includes information on the remuneration policy for the Company directors approved by the General Meeting and applicable to the current business year, an overall summary of the application of policy for payments remuneration during the business year now closed, and details of the individual remuneration earned under all headings by each of the directors in the said business year, which shall be distributed as other significant information by the Company simultaneously with the annual corporate governance report and be submitted to the Ordinary General Shareholders' Meeting as a separate item on the Agenda, in accordance with the terms established by law."*

**3.6. Modification of articles 40 ("The Audit and Control Committee") and 41 ("The Appointments and Remuneration Committee") of Section 3 (regarding the Board Committees) of the Third Title (regarding the Governance of the Company) of the Articles of Association.**

"In accordance with the report by the Board of Directors that has been available to the shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of articles 40 (" The Audit and Control Committee ") and 41 (" The Appointments and Remuneration Committee ") of Section 3 (regarding the Board Committees) of the Third Title (regarding the Governance of the Company) of the Articles of Association, which will be expressed in the following terms:

**"Article 40. Audit and Control Committee**

1. *The Board of Directors shall have an Audit and Control Committee with no executive functions and with powers to inform, advise and propose within its scope of action, which shall be composed of a minimum of three (3) and a maximum of six (6) directors, appointed by the Board of Directors following a report from the Appointments and Remuneration Committee, for a period not exceeding their term in the position as directors and notwithstanding the possibility of being re-elected indefinitely, insofar as they may also be re-elected as directors. All the members of the Audit and Control Committee should be non-executive directors, and the majority of its members should be independent directors, one of whom shall be appointed on the basis of his or her knowledge and experience in accounting and/or auditing matters. As a whole, the members of the Committee shall have relevant technical knowledge with regard to the activity sector of the Company.*
2. *The Committee shall elect a President from among its independent members and may also elect a Vice President. The duration of these positions may not exceed four (4) years or their terms of office as members of the Committee, and they may be re-elected after at least one year has elapsed since they left the position.*

*The Secretary and, where applicable, the Vice Secretary shall be the person appointed by the Committee, without specifying his or her status as a director.*

3. *The members of the Committee may be assisted in their meetings by persons who, in their capacity as advisors, and up to a maximum of two (2) for each of these members, consider it appropriate. These advisors shall attend meetings with a voice but no vote.*
4. *Without prejudice to the other functions attributed to it by Law, these Articles of Association and the Board Regulations, the powers of the Audit and Control Committee will include at least the following:*
  - a) *To inform the General Shareholders Meeting of any issues that may arise with regard to those matters that fall within the scope of the Committee and, in particular, of the result of the audit, explaining how it has contributed to the integrity of the financial information and the role that the Committee has played in this process.*
  - b) *To supervise the effectiveness of the Company's internal control and the Company's internal audit services and risk management systems, as well as to discuss with the accounts auditor significant weaknesses in the internal control system detected in the course of the audit, and all this without infringing its independence. For this purpose, and where appropriate, they may submit recommendations or proposals to the Board of Directors and the corresponding deadline for their follow-up.*
  - c) *To supervise the process of preparing and submitting the required financial information and to submit recommendations or proposals to the Board of Directors, aimed at safeguarding its integrity.*
  - d) *To submit to the Board of Directors proposals for the selection, appointment, re-election and replacement of the auditor, taking responsibility for the selection process, in accordance with the provisions of EU regulations, as well as the terms and conditions of his or her contract, and to obtain from him or her regular information on the audit plan and its implementation, as well as to maintain his or her independence in the performance of his or her duties.*
  - e) *Establish appropriate relationships with the external auditor to receive information on issues*

*that may pose a threat to their independence, for consideration by the Committee, and any other relating to the process of conducting accounts audits and, where appropriate, the authorisation of services other than those prohibited, under the terms provided for in the regulations governing account auditing activities on the system of independence, as well as any other communications provided for in account auditing legislation and in auditing standards. In any case, it should receive annually from the external auditors a declaration of their independence with regard to the Company or entities directly or indirectly related to it, as well as detailed and individualised information on the additional services of any kind provided and the corresponding fees received from these entities by the external auditor or by the persons or entities related to it in accordance with the provisions of the regulations governing the auditing of accounts.*

- f) Each year, prior to the issuance of the account auditing report, issue a report that expresses an opinion on whether the independence of the auditors or audit firms has been compromised. In any case, this report shall contain a reasoned assessment on the provision of each and every one of the additional services referred to in the previous section, taken individually and as a whole, other than the legal audit and with regard to the system of independence or the regulations governing account auditing activities.*
- g) To report on related-party transactions that should be approved by the General Shareholders Meeting or the Board of Directors and to supervise the internal procedure established by the Company for those whose approval has been delegated in accordance with the applicable regulations.*
- h) To report in advance to the Board of Directors on all matters provided for by law, these Articles of Association and the Regulations of the Board, and in particular, on:
  - 1. financial information and the management report, which will include, where appropriate, mandatory the non-financial information that the Company should periodically make public, and*
  - 2. the creation or acquisition of holdings in special-purpose entities or entities domiciled in countries or territories considered to be tax havens.**
- i) Where applicable, those others that are attributed by these Articles of Association or the Regulations of the Board of Directors.*

*The provisions of points d), e) and f) in this section shall be understood notwithstanding the regulations governing the auditing of accounts.*

- 5. For the purposes of its operation, the Committee shall meet when the President so decides, as many times as necessary to perform its duties and at least once a quarter.*
- 6. It shall be validly constituted when the majority of its members are present or represented, and its resolutions shall be adopted by an absolute majority of its members present or represented. In the event of a tie, the President shall have the casting vote.*
- 7. The Audit and Control Committee shall draw up an action plan for the business year, which it shall report to the Board of Directors, as well as a report on its activity during the business year, which shall serve as the basis for the annual assessment by the Board of Directors of its operation and that of its Committees, in order to propose, on the basis of the results, an action plan to correct any*



deficiencies detected.

8. *These Regulations with regard to the Audit and Control Committee will be developed through the Regulations of the Board of Directors, always promoting independence in its operation."*

**"Article 41. - The Appointments and Remuneration Committee**

1. *The Board of Directors shall have an Appointments and Remuneration Committee with no executive functions, consisting of a minimum of four (4) and a maximum of six (6) board members appointed by the Board of Directors, and it shall be composed exclusively of non-executive directors, of which at least two shall be independent directors. The mandate of the members of the Committee shall not exceed their mandate as directors, without prejudice to them being re-elected indefinitely, as long as they remain directors.*
2. *The Committee shall elect a President from among its independent members. The Committee will also have a Secretary with a voice and without a vote, who shall not need to be a director.*
3. *The Appointments and Remuneration Committee shall have the power to report, advise and propose on the appointment, re-election, ratification and dismissal of directors, on the remuneration of directors and senior executives of the Company and on situations of conflict of interest and, notwithstanding the other duties assigned to it by law, the Articles of Association or, in accordance with them, the Regulations of the Board of Directors, it shall have at least the following duties:*
  - a) *Evaluate the necessary skills, knowledge and experience in the Board of Directors. For this purpose, it will define the functions and skills necessary in the candidates who must fill each vacancy and will assess the time and dedication required so that they can effectively undertake their duties.*
  - b) *To establish a representation target for the under-represented gender on the Board of Directors and prepare guidelines on how to achieve this target.*
  - c) *To submit proposals to the Board of Directors for the appointment of independent directors for their appointment by co-option or for their submission to the decision of the General Shareholders Meeting, as well as proposals for the re-election or dismissal of these directors by the General Shareholders Meeting.*
  - d) *To report on proposals for the appointment of the remaining directors for their appointment by co-option or for their submission to the decision of the General Shareholders Meeting, as well as proposals for their re-election or removal by the General Shareholders Meeting.*
  - e) *To report on the proposals for the appointment and removal of senior managers and the basic conditions of their contracts.*
  - f) *To examine and organise the succession of the President of the Board of Directors and the CEO of the Company and, where applicable, to make proposals to the Board of Directors so that this succession takes place in an orderly and planned manner.*
  - g) *Propose to the Board of Directors the remuneration policy of the directors and of the general directors or of those who carry out their senior management duties under the direct authority of the Board, the Executive Committee or the Chief Executive Officer, as well as the individual remuneration and the remaining contractual conditions of executive directors, ensuring their*



observance.

- h) *To report in advance to the Board of Directors on all matters provided for by law, these Articles of Association and the Regulations of the Board.*
4. *For the purposes of the operation of the Committee, it shall meet, in the opinion of its President, as often as is necessary for the performance of its duties, and at least once every quarter.*
  5. *It shall be validly constituted when the majority of its members are present or represented, and its resolutions shall be adopted by an absolute majority of its members present or represented. In the event of a tie, the President shall have the casting vote.*
  6. *The Appointments and Remuneration Committee shall prepare an action plan for the business year, which it shall submit to the Board of Directors, as well as a report on its activity during the business year which shall serve as the basis for the assessment made by the Board of Directors.*
  7. *The Regulations of the Board of Directors will develop these rules regarding the Appointments and Remuneration Committee, always promoting its independence."*

**3.7. Modification of articles 44 ("Formulation of the financial statements") and 46 ("Deposit of the accounts") of the Fifth Title (regarding the Business Year and Financial Statements) of the Articles of Association.**

"In accordance with the report by the Board of Directors that has been available to the shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of articles 44 (" Formulation of the annual accounts ") and 46 (" Deposit of the accounts ") of the Fifth Title (regarding the Business Year and Financial Statements) of the Articles of Association, which will be expressed in the following terms:

**"Article 44. - Preparation of the Financial Statements**

*In accordance with the provisions of the Commercial Code, the Company should maintain orderly accounts correctly in accordance with the company's activity, and which enable operations to be monitored chronologically, as well as preparing inventories and balance sheets. The accounting books will be legalised by the Mercantile Registry corresponding to the location of the registered office.*

*The Board of Directors is obliged to prepare, within a maximum of three (3) months from the end of the business year, the financial statements, the management report, that includes, where applicable, the status of non-financial information, and the proposal for the application of the result, as well as, where applicable, the consolidated statements and management report. The financial statements should be drawn up clearly and provide a true and fair view of the assets, financial situation and results of the Company, in accordance with the provisions of the Act and the Commercial Code. The financial statements and the management report, including, where applicable, the status of non-financial information, should be signed by all the directors. If the signature of any of them is missing, it will be indicated in each of the missing documents, with express indication of the reason for this."*

**"Article 46. - Filing of Statements**

*Within the month following the approval of the annual accounts, the Board of Directors of the Company will present, to be deposited in the Mercantile Registry of the registered office, certification of the agreements of the General Shareholders Meeting of approval of said annual accounts, duly signed, and*

*the allocation of the result, as well as, where appropriate, of the consolidated accounts, to which a copy of each of said accounts will be attached, together with the management report, which will include, where appropriate, the statement of non-financial information and the auditors' report."*

**4. Modification of the Regulations for the Company's General Shareholders' Meeting:**

**4.1. Modification of articles 4 ("General Shareholders Meeting") and 6 ("Powers of the General Shareholders Meeting") of Title I (Concept, Classes and Functions of the General Shareholders Meeting) of the Regulations governing the General Shareholders Meeting.**

"In accordance with the report by the Board of Directors that has been at the disposal of the shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of articles 4 ("General Shareholders Meeting") and 6 ("Powers of the General Shareholders Meeting") of Title I (Concept, Classes and Functions of the General Shareholders Meeting) of the Regulations governing the General Shareholders Meeting, which will be expressed in the following terms:

**"Article 4. General Shareholders Meeting**

1. *The General Shareholders' Meeting is the Company's highest decision-making body in matters within its powers.*
2. *The resolutions of a duly constituted General Shareholders Meeting, adopted in accordance with the Articles of Association, these Regulations and the legal provisions in force, will oblige all shareholders, even those who are absent, those who abstain from voting and those who dissent, without prejudice to the rights and actions of any kind that may correspond to them according to the Laws in force.*
3. *The Company shall at all times guarantee the equal treatment of all shareholders who are in the same position, especially with regard to information, participation and the exercise of voting rights at the General Shareholders Meeting.*

*In particular, it should meet the accessibility requirements of those with disabilities and the elderly to guarantee their right to have prior information and the necessary support to exercise their vote."*

**"Article 6. - Powers of the General Shareholders Meeting**

*The General Shareholders Meeting shall decide on matters where it is empowered to do so by law, by these Articles of Association or by the Regulations for the General Shareholders Meeting and, in particular, on the following:*

- a) *The approval of the financial statements, the allocation of profits and the approval of corporate management.*
- b) *The approval, where appropriate, of the status of non-financial information.*
- c) *The appointment, re-election, ratification and dismissal of directors, as well as the appointment and dismissal of the liquidators and, where applicable, the auditors, as well as the exercise of corporate responsibility action against any of them.*
- d) *Modification of the Articles of Association.*

- e) *The increase and reduction of the capital stock, as well as the delegation to the Board of Directors of the power to increase the capital stock, in which case it may also confer on it the power to exclude or restrict the right of first refusal under the terms established by law.*
- f) *The issue or creation of new categories or series of shares.*
- g) *The issue of bonds and other securities which, in accordance with the regulations applicable at any given time, are the responsibility of the General Shareholders Meeting and the delegation to the Board of Directors of the power to issue them.*
- h) *The elimination or limitation of the right of first refusal.*
- i) *The acquisition, sale or contribution to another company of essential assets; as well as the transfer to dependant entities of essential activities undertaken up to that moment by the Company, even though it maintains full control of these.*  
  
*Operational activities and assets shall be presumed to be essential when the volume of the transaction exceeds twenty-five percent (25%) of the total assets on the balance sheet.*
- j) *The transformation, merger, spin-off, general assignment of assets and liabilities and transfer of the registered office abroad.*
- k) *The dissolution of the Company.*
- l) *The approval of the final balance sheet for liquidation.*
- m) *Operations where the effect is equivalent to the liquidation of the Company.*
- n) *The approval of related-party transactions whose approval corresponds to the General Shareholders Meeting in the terms envisaged in the Law.*
- o) *The policy on the remuneration of directors under the terms established by the Spanish Corporate Enterprises Act.*
- p) *Any system of remuneration or incentives to directors or senior management consisting of the delivery of shares, share options or in any way linked to the value of the share.*
- q) *Authorisation for the acquisition of own shares within the legal boundaries.*
- r) *The approval and modification of these Regulations.*
- s) *Any other matters as determined by law or these Articles of Association."*

**4.2. Modification of articles 9 ("Information available from the date of the call") and 11 ("Proxies") of Chapter II (Preparation for the General Shareholders Meeting) of Title II (Call and preparation for the General Shareholders Meeting) of the Regulations for the General Shareholders Meeting.**

"In accordance with the report by the Board of Directors that has been available to shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of articles 9 (" Information available from the date of the call ") and 11 ("Proxies") of Chapter II (Preparation for



the General Shareholders Meeting) of Title II (Call and preparation for the General Shareholders Meeting) of the Regulations for the General Shareholders Meeting, which will be expressed in the following terms:

**"Article 9. Information available from the date of the call**

*The Company will make the following information available to its shareholders from the moment the announcement of the call is published and until the General Shareholders Meeting takes place, at its registered office and included without interruption on its website:*

- a) *The full text corresponding the announcement of the call.*
- b) *The total number of shares and voting rights at the date of the call, itemised by category of shares, if this is the case.*
- c) *The full texts of all the proposed resolutions on each and every one of the points included in the Agenda or, with regard to those points of a merely informative nature, a report from the proper bodies commenting on each of these points, as well as the proposed resolutions presented by the shareholders, as they are received.*
- d) *When the proposal consists of the appointment or ratification of directors, the following information will also be included in this regard: (i) their professional and biographical profile; (ii) other Boards of Directors on which they sit, whether they are listed companies or not; (iii) indication of the category of director to which they belong as appropriate, indicating, in the case of proprietary directors, the shareholder proposing their appointment, re-election or ratification or with whom they have ties; (iv) date of their initial appointment as a director at the Company, as well as subsequent appointments; (v) shares in the Company and stock options held by them; and (vi) the proposal and reports required by law.*
- e) *The documents that should be submitted to the General Shareholders Meeting and, in particular, reports by the Board, account auditors and independent experts that, in accordance with the Law or the Articles of Association, should be made available to shareholders on the items included in the Agenda from the date of the call.*
- f) *Information on the channels of communication between the Company and the shareholders in order to be able to collect information or make suggestions, in accordance with the applicable regulations.*
- g) *The means and procedures for granting proxy at the General Shareholders Meeting, as well as for remote vote casting. In particular, the forms to accredit attendance and voting by proxy and remotely at the General Shareholders Meeting, except when they are sent directly by the Company to each shareholder. In the event that they cannot be published on the website for technical reasons, the Company should indicate how to obtain the paper forms, which will be sent to any shareholder who requests them.*
- h) *The rules for conducting an Electronic Shareholder Forum.*

*The Company will send its shareholders, either directly or indirectly through the third parties appointed by said shareholders, the central securities depository or the intermediary entity, a notice indicating where they can find the information necessary to enable them to exercise the rights derived from their actions, in the terms provided for in the applicable regulations."*

## **"Article 11. Proxies**

1. *Shareholders with the right to attend may delegate their representation to another person, even if he or she is not a shareholder.*

*Where the represented shareholder has issued instructions, the proxy will cast the vote in accordance with them and will be obliged to keep these instructions for one year from the date of the corresponding General Shareholders Meeting.*

*A proxy may have the representation of more than one shareholder without restriction with regard to the number of shareholders represented. When a proxy represents several shareholders, he or she may vote differently depending on the instructions received from each shareholder.*

*Intermediaries who appear legitimised as shareholders by virtue of the accounting record of the shares but who act on behalf of various other final beneficiaries may in any case divide their vote and exercise it divergently in compliance with different voting instructions, if they had received them.*

*Intermediaries may delegate the vote to each of the indirect holders final beneficiaries or to third parties designated by them, without being able to restrict the number of proxies granted.*

*Proxy may also include those points that have not yet been provided for in the Agenda for the call but may be discussed at the Meeting, as permitted by Law.*

*In any case, the number of shares represented will be computed for the valid constitution of the Meeting.*

*Proxy is always revocable. Personal attendance, be it physical or electronic, by the shareholder at the Meeting, entails the cancellation of any proxy, whatever the date this occurs. In this regard, proxies granted prior to the casting of the remote vote will be considered revoked, and those granted later, will be considered not to have been made.*

2. *Proxy should be granted in the terms and within the scope established by the Spanish Corporate Enterprises Act, in writing and specifically for each meeting, except for a spouse, ascendant or descendant of the represented shareholder or general proxy, in a public document, to manage all the assets that the represented shareholder has in national territory.*

*Proxy may also be granted by post, by sending the Company a letter stating the representation granted, accompanied by the attendance, proxy or representation and remote voting card issued by the Company or entities responsible for keeping the registry of book entries. However, the attendance, proxy and remote voting card itself may suffice when there is provision for its use for proxy purposes by postal correspondence.*

*Proxy may also be granted by electronic means or other remote means of communication that, duly guaranteeing the identity of the person represented and the representative and the security of electronic communications that the Board of Directors shall determine on the occasion of the call for each Meeting, making this public in the announcement of the call and on the Company's corporate website.*

*Where proxy is granted by electronic means, the regulation contained in article 22 of the*

*Regulations for casting remote votes will be applicable, as far as this is possible, prior to the Meeting.*

*Proxy granted by any of the aforementioned electronic means or other remote communication means should be received by the Company before midnight (12 midnight) on the day immediately prior to the day scheduled for holding the General Shareholders Meeting on first call. Otherwise, the proxy will be deemed not to have been granted.*

*Everything established above will be applicable to the revocation of the appointment of the representative.*

- 3. The President and Secretary of the General Meeting shall have the broadest powers to admit the validity of the document or means of proving the representation, having to consider only as invalid that which lacks the minimum essential requirements and provided that this is insurmountable.*
- 4. Before being appointed, the proxy should inform the shareholder in detail if there is a conflict of interest. If the conflict arises after the appointment and the represented shareholder has not been warned of its possible existence, he or she should be informed immediately. In both cases, if they have not received new precise voting instructions for each of the items on which the proxy has to vote on behalf of the shareholder, they should abstain from casting a vote. In particular, there may be a conflict of interest when the proxy is in any of the situations provided for in article 523.2 of the Spanish Corporate Enterprises Act.*
- 5. In those cases in which the directors of the Company, or any other person or entity, make a public request for proxy, the rules contained in the Spanish Corporate Enterprises Act and the implementing regulations will apply. In particular, the document stating the power of attorney should contain or be attached to the Agenda, as well as the request for instructions for the exercise of voting rights and the indication of how the proxy will vote in the event that no give instructions are given or they are not precise.*

*The proxy may vote differently when circumstances are unknown at the time the instructions are sent and there is a risk of damaging the interests of the represented party. In the case of a vote cast that does not follow the instructions, the proxy should immediately inform the represented party, in writing, explaining the reasons for the vote.*

*A public request for proxy may also be made by electronic means in accordance with the provisions of these Regulations and other internal regulations of the Company.*

*There will be understood to have been a public request when the same person holds the proxy for more than three shareholders.*

- 6. In addition to complying with the duties set forth in section 5 above, in the event that the directors or another person on behalf or in the interest of any of them, have made a public request for proxy, the director who obtains it may not exercise the right of voting corresponding to the shares represented in those points of the Agenda in which there is a conflict of interest, unless the representative has received precise voting instructions for each of these points. In any case, a director will be understood to be in conflict of interest with regard to the following decisions:
  - a) His or her appointment, re-election or ratification as a director.**



- b) *His or her dismissal, separation or termination as a director.*
  - c) *The exercise against him or her of the social action of responsibility.*
  - d) *The approval or ratification, where appropriate, of operations of the Company with the director in question, companies controlled by him or her or those he or she represents or persons acting on his or her behalf.*
7. *The Board of directors is empowered to develop the above provisions, establishing the rules, means and procedures in accordance with the technology available to implement the granting of proxy by remote means of communication, adjusting, where applicable, to the regulations issued for this purpose and to the Articles of Association.*

*In particular, the Board of Directors may: (i) regulate the use of alternative guarantees to the electronic signature for the granting of proxy by electronic correspondence; (ii) reduce the notice to be given established previously for the receipt by the Company of the proxies conferred by postal or electronic correspondence; and (iii) admit and authorise the President and Secretary of the General Shareholders Meeting or the persons to whom any of them may delegate, to admit the proxies received later than the aforementioned deadline, to the extent that the available means allow.*

*In any case, the Board of Directors will adopt the necessary measures to avoid possible duplications and ensure that whoever has delegated representation by postal or electronic correspondence is duly authorised to do so in accordance with the provisions of the Articles of Associations and these Regulations.*

8. *The implementation rules that the Board of Directors may adopt under the provisions of this article will be published on the Company's website."*

**4.3. Modification of articles 12 ("Right and duty of attendance"), 15 ("Presidency, Secretary and Board of the General Shareholders Meeting") and 16 ("Constitution of the General Shareholders Meeting"), and incorporation of a new article 14 bis ("Attendance at the General Meeting by electronic means. Exclusively telematic Shareholders Meetings") to Chapter I (Constitution of the Meeting) of Title III (Holding of the General Shareholders Meeting) of the Regulations for the General Shareholders Meeting.**

"In accordance with the report by the Board of Directors that has been available to shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of articles 12 (" Right and duty of attendance "), 15 (" Presidency, Secretary and Board of the General Shareholders Meeting") and 16 (" Constitution of the General Shareholders Meeting"), as well as the incorporation of a new article 14 bis ("Attendance at the General Shareholders Meeting by electronic means. Exclusively telematic Shareholders Meetings") to Chapter I (Constitution of the Meeting) of Title III (Holding of the General Shareholders Meeting) of the Regulations for the General Shareholders Meeting, which will be expressed in the following terms:

**"Article 12. Right and duty of attendance**

1. *All shareholders who hold one or more shares, including those without voting rights, registered in their name in the relevant book-entry register five days prior to the date on which the General Meeting is to be held and who so prove in accordance with the terms set forth in article 16 of these Regulations and in the notice of call, are entitled to attend the General Meeting.*

2. *The entities participating in the Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Iberclear) may be authorised by the Company to issue attendance cards to the Meeting in favour of their respective depositing shareholders, cards that, likewise, will be provided where appropriate by the Company itself, against the deposit of the documents proving ownership of actions.*

*For this purpose, the Company will propose to these entities the format of the attendance card that should be issued in favour of the shareholders, ensuring that the cards issued by such entities are uniform and incorporate a barcode or other system that enables them to be read electronically to facilitate the computerised computation of those attending the meeting, as well as the formula to which such document should comply to delegate representation in favour of another shareholder. The attendance card may foresee the identity of the representative in the absence of an express designation by the represented shareholder, as well as any cases of possible conflicts of interest.*

3. *The members of the Board of Directors will be obliged to attend General Shareholders Meetings, but their presence is not required for the Meeting to be validly constituted. In addition, Directors, Managers and Technicians may attend the Meeting if they are required to do so, as well as other persons who, in the opinion of the Board of Directors, have an interest in the smooth running of corporate affairs and whose intervention in the Meeting may be in the interests of the Company. The President of the General Shareholders Meeting may authorise the attendance of any other person he deems appropriate, without prejudice to the power of the Meeting to revoke this authorisation."*

**"Article 15. Presidency, Secretary and Board of the General Shareholders Meeting**

1. *The Board of the General Shareholders Meeting will be composed of the President and the Secretary of the General Shareholders Meeting.*
2. *The General Shareholders Meeting will be chaired by the President of the Board of Directors. In situations where the President of the Board of Directors is absent or unavailable, he or she shall be replaced by the Vice Presidents in their order, which if not pre-determined, is established depending on the length of time that directors have been directors of the Company. In the absence of Vice-Presidents, the Board will be chaired by the oldest director.*
3. *The responsibilities of the President of the General Shareholders Meeting are:*
  - a) *To conduct the meeting so that the deliberations take place in accordance with the Agenda.*
  - b) *To resolve any doubts that may arise with regard to the list of shareholders and the content of the Agenda.*
  - c) *To give the floor to shareholders who have requested to speak in the terms provided for in article 17 of these Regulations, until he or she considers that an issue has been sufficiently debated or that it makes it difficult for the meeting to progress.*
  - d) *To indicate when voting on the resolutions is to take place and to announce the results of the vote.*
  - e) *In general, to exercise all the powers required for the better organisation of the meeting, including the interpretation of the provisions of these Regulations.*

*In the performance of his or her duties, the President of the Meeting will be assisted by the Secretary.*

4. *The Secretary of the General Shareholders Meeting will be the Secretary of the Board of Directors. If the Secretary of the Board of Directors is absent or unavailable, he or she will be replaced by the Vice Secretary of the Board of Directors, and if he or she is also absent, the person designated for this purpose by the shareholders present at the beginning of the meeting will act as Secretary of the General Shareholders Meeting.*
5. *The following shall be the functions of the Secretary of the General Shareholders Meeting:*
  - a) *Report to the General Meeting, by delegation of the President, on the quorum for attendance at the General Shareholders Meeting.*
  - b) *Read or give a summary of the text of the proposed resolutions, where applicable.*
  - c) *Resolve, together with the President, any doubts, clarifications or queries raised with regard to the list of those attending and with the proxies or representations.*
  - d) *Draft the minutes of the General Shareholders Meeting, where applicable.*
  - e) *And in general, exercise, as instructed by the President of the Meeting, the necessary powers of organisation, order and discipline required for the Meeting to be properly conducted and the resolutions to be adopted and formalised.*
6. *If for whatever reason, during the General Meeting those who were acting as President or Secretary were to leave the meeting, then the person who would replace them in the exercise of their duties would be selected in accordance with the provisions of sections 2 and 4 above."*

#### **"Article 16. Constitution of the General Shareholders Meeting**

1. *In the place, date and time indicated in the call for the General Shareholders Meeting and from two (2) hours before the time announced for the meeting to begin, the shareholders or those who validly represent them may present to the personnel in charge of the attendance record the documents accrediting their right to attend and, where applicable, to represent. The right to attend will be accredited by showing the certificate of authority issued by the entities responsible for the accounting record of the Company's shares, in which will be confirmed the registration in the name of the shareholder of at least one share five (5) days prior to the date of the Meeting or by the presentation of the attendance card issued by the Company or by the entities participating in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Iberclear) that, for this purpose, have been authorised by the Company.*

*Shareholders wishing to vote by remote means of communication prior to the General Meeting or, as the case may be, to attend the General Meeting remotely, shall prove their identity and status as shareholders in the manner determined by the Board of Directors in the notice of call.*

2. *Shareholders or, where applicable, their representatives who access the venue of the General Shareholders Meeting after the Meeting has entered the examination and deliberation phase for the Agenda will not be included in the list of those attending.*
3. *Before entering into the Agenda, a list of those attending will be made, confirming the nature or*

*representation of each one and the number of own or third-party shares with which they are participating.*

*At the end of the list, the number of shareholders present will be indicated (including those who have attended remotely and those who have cast the vote by means of remote communication prior to the Meeting) or represented, as well as the amount of the capital stock of which they are holders, specifying that which corresponds to the shareholders with voting rights.*

*The list of those attending will appear at the beginning of the minutes or will be attached to them by means of an annex signed by the Secretary, with the approval of the President.*

- 4. Shareholders casting their votes by means of remote communication, in accordance with the provisions of article 22 of these Regulations, should be considered as present for the purposes of constituting the General Shareholders Meeting.*
- 5. Once it has been verified that there is a quorum, the Board for the Meeting will be constituted, marking the beginning of the Meeting at the place, day and time set for its celebration, either on first or second call.*
- 6. The President or, by proxy, the Secretary will announce the call, it can be taken as read if no shareholder opposes it, and will report on the global data resulting from the list of those attending, detailing the number of shareholders present and represented at the meeting with the right to vote, the number of shares corresponding to both and the percentage of capital they represent. The President's or the Secretary's statement on the list of attendees may be made provisionally, and the General Meeting shall be informed of the overall details of the definitive list of attendees after the end of the shareholders' speaking time and before voting on the proposed resolutions corresponding to the different items on the Agenda of the General Meeting.*
- 7. Once these data have been publicly communicated by the President or the Secretary, the Presidency will then declare whether or not the requirements for the valid constitution of the Meeting have been met. Where there is a Notary present, he or she will ask the Assembly if there are any objections or protests to the statements made by the President regarding the number of concurrent partners and the capital present. Any doubts or queries expressed to the Notary, and failing that, to the Secretary, that arise on these points will be reflected in the Minutes and will be resolved by the Presidency.*

*Immediately afterwards, if that should be the case, the Presidency will declare the Meeting validly constituted.*

- 8. General Shareholders' Meetings, both Ordinary and Extraordinary, will be validly constituted:*
  - In general terms, on first call when the shareholders present or by proxy possess at least fifty percent (50%) of the subscribed capital with voting rights. On second call, the constitution of the Meeting will be validated when the shareholders present or by proxy possess at least forty-five percent (45%) of the subscribed capital with voting rights. Exceptions to the foregoing are those cases in which, in accordance with the items included on the Agenda, it is not legally possible to require a higher percentage of capital for the General Shareholders Meeting to be validly constituted than that established by the applicable regulations.*
  - The percentages mentioned in the previous paragraph shall also be those applicable so that Ordinary and Extraordinary General Shareholders Meeting may validly resolve on the issue of*

*bonds which, in accordance with the regulations applicable at any given time, are within the powers of the General Shareholders Meeting, an increase or reduction of capital, the transformation, merger or spin-off of the Company, the general assignment of assets and liabilities, the suppression or removal of the right of first refusal on new shares, the transfer of address abroad and, in general, any modification of the Articles of Association.*

9. *If for any reason it is necessary to hold the meeting in separate rooms, audio-visual means will be provided that enable interactivity and intercommunication between them in real time and, therefore, the unity of the act."*

**"Article 14 bis. Attendance at the General Shareholders Meeting by electronic means. Exclusively telematic Shareholders Meetings**

1. *The Company may enable attendance at the General Shareholders Meeting by electronic means that duly guarantee the identity of those attending and the casting of remote votes during the Meeting, provided that the Board of Directors so agrees. In this case, the notice shall describe the deadlines, forms and methods of exercising the shareholders' rights provided for by the Board of Directors to allow the proper development of the Board meeting, as provided by law, in the Articles of Association and in these Regulations.*

*The Board may establish in the call that the speeches and proposed resolutions that, in accordance with the Law, those attending by electronic means intend to make, where this possibility has been contemplated in the call for the Meeting, should be sent to the Company before the Meeting is held. The responses to shareholders or their representatives who attend the Meeting electronically and exercise their right to information during the meeting will occur during the meeting itself or in writing within seven days after the Meeting has finished.*

2. *The above provisions for this article, insofar as they are compatible with the legal regime, will also be applicable in the cases in which, based on the provisions of article 18 bis of the Articles of Association and in accordance with the applicable regulations, in the announcement of the call provides for holding the General Shareholders Meeting exclusively electronically and, therefore, without physical attendance of the shareholders and their proxies or, where appropriate, of the members of the Board of Directors. In any case, the announcement of the call will notify the regulations that are applicable in this regard."*

**4.4. Modification of articles 17 ("Requests to speak") and 19 ("Right to information during the Meeting") of Chapter II (Shareholders' speaking time) of Title III (Holding of the General Shareholders Meeting) of the Regulations for the General Shareholders Meeting.**

"In accordance with the report by the Board of Directors that has been available to the shareholders since the publication of the call for the General Meeting, to approve the modification of articles 17 ("Requests to speak") and 19 ("Right to information During the Meeting") of Title III (Holding of the General Shareholders Meeting) of the Regulations for the General Shareholders Meeting, which will be expressed in the following terms:

**"Article 17. Requests to speak.**

1. *Once the General Shareholders Meeting is constituted, those shareholders who physically attend the Meeting and who, in exercise of their rights, wish to speak Meeting during the time allotted to deliberations will identify themselves to the Secretary or, where applicable, to the Notary (or to the people assisting them), showing their National Identity Document, or equivalent identification*



*document in the case of foreigners, and the attendance, proxy and remote voting card, stating the number of shares they hold and the shares they represent. All documents will be returned to them once they have spoken. Persons attending remotely may request to speak in the terms provided for in the announcement of the call.*

*If they intend to request that their speech be recorded literally in the Minutes of the Meeting, they will have to deliver it in writing, at that time, to the Secretary or, where applicable, to the Notary (or the persons assisting them), so that it coincide with when the shareholder's speech takes place. Those attending by electronic means should follow the rules established in the announcement of the call in this regard.*

2. *Once the Board has the list of shareholders who wish to speak and before voting on the issues included in the Agenda, the list of those wishing to speak will be opened."*

#### **"Article 19. Right to information during the Meeting**

1. *During the speeches, shareholders or their duly accredited representatives who physically attend the General Shareholders Meeting may verbally request any information or clarifications they deem significant regarding issues included in the Agenda for the meeting, information accessible to the public that has been provided by the Company to the National Securities Market Commission since the last General Shareholders Meeting was held and regarding the auditor's report. Those shareholders and representatives who attend by electronic means may request the information or clarifications that they consider appropriate regarding these issues in the terms provided for in the announcement of the call in accordance with the applicable regulations.*
  2. *The Board of Directors will be obliged to provide the information requested by the shareholders, unless one of the circumstances provided for in article 10.4 of these Regulations occurs or the information requested is not available at the time of the meeting itself. In this case, the information will be provided in writing within seven (7) days following the end of the Meeting, for which purpose the shareholder will indicate the location or address where the information will be sent.*
  3. *Furthermore, when prior to a specific question being asked the information requested is clearly, expressly and directly available to all shareholders on the Company's website under the question-answer- format, the Board of Directors may restrict its response to referring to the information provided in that format.*
  4. *The information or clarification requested will be provided by the President or, where applicable and at the request of the latter, by the Chief Executive Officer or by any of the directors present. If the information or clarifications requested relate to matters within the responsibilities of the Audit and Control Committee, they shall be provided by any of the members or consultants to this Committee present at the meeting. The President may also empower any other person considered suitable, representing and on behalf of the Company, to respond to requests for information made by shareholders."*
- 4.5. Modification of articles 20 ("Voting on proposed resolutions"), 22 ("Remote casting of votes") and 26 ("Minutes of the Meeting") of Chapter III (Voting and documentation of resolutions) of Title III (Holding of the General Shareholders Meeting) of the Regulations for the General Shareholders Meeting.**

"In accordance with the report by the Board of Directors that has been available to shareholders since the publication of the call for the General Shareholders Meeting, to approve the modification of articles



20 ("Voting on proposed resolutions"), 22 ("Remote casting of votes") - whose heading is modified to "Remote casting of votes prior to the Meeting"- and 26 ("Minutes of the Meeting") of Title III (Celebration of the General Shareholders Meeting) of the Regulations for the General Shareholders Meeting, which will be expressed in the following terms:

**"Article 20. Voting on proposed resolutions**

1. *Once the speeches by the shareholders have ended and the answers provided in accordance with the provisions of these Regulations, the proposed resolutions on the issues included in the Agenda or on those others that by legal mandate do not need to appear will be put to a vote.*
2. *The Secretary will read a summary of the proposed resolutions, the texts of which appear on the Company's website. If any shareholder so requests or, even if not requested, it is deemed appropriate by the President, they will be read out in full. In any case, those attending will be informed of the item on the Agenda to which, in each case, the proposed resolution that is submitted to a vote refers.*
3. *The voting process for the proposed resolutions will be conducted following the Agenda envisaged in the call. Firstly, the proposed resolutions that the Board of Directors has formulated in each case will be put to a vote and then, where applicable, those formulated by other proponents and followed by those relating to issues which the General Shareholders Meeting may resolve even though they were not on the Agenda, with the President of the General Shareholders Meeting deciding the order in which they will be voted on. In any case, once a proposal for resolution has been approved, all the others relating to the same issue that are incompatible with it will automatically be rejected without proceeding to put them to a vote.*
4. *Without prejudice to the fact that, at the initiative of the President, other alternative systems may be used, voting on the proposed resolutions referred to in the preceding section will be undertaken in accordance with the following procedure:*
  - a) *The voting of the proposed resolutions relating to issues included in the Agenda will be conducted by means of a negative deduction system.*

*For these purposes, for each proposal, those corresponding to all the shares present and represented will be considered votes in favour, deducting the votes corresponding to the shares whose owner or representative states that they vote against or abstain and the votes corresponding to the shares whose owners or representatives have left the meeting prior to the voting on the proposed resolution in question and have recorded their departure before the Secretary or, where applicable, the Notary, to which will be added those corresponding to the proxies received by the Board of Directors stating their intention to vote against, or abstain with regard to the proposal in question. Votes against and abstentions will be counted separately.*

- b) *Voting on the proposed resolutions relating to issues not included in the Agenda, when such proposals are legally possible, will be conducted by means of a positive deduction system. For these purposes, those corresponding to all the shares present and represented will be considered votes against, deducting the votes corresponding to the shares whose holders or representatives state that they vote in favour or abstain and the votes corresponding to the shares whose holders or representatives have left the meeting prior to voting on the proposed resolution in question and have recorded their departure before the Secretary or, where applicable, the Notary.*

5. *When technically possible, providing compliance with all legal conditions may be guaranteed, the Board of Directors may establish electronic vote counting systems.*
6. *Those matters that are substantially independent should be voted on separately, so that shareholders may exercise their voting preferences separately and, in any case, even if they appear in the same item on the Agenda, the following should be voted on separately: (i) the appointment, ratification, re-election or dismissal of each director, which should be voted on individually; and (ii) in the case of amendments to the Articles of Association, each article or group of articles that have their own autonomy.*
7. *Intermediaries who appear legitimised as shareholders by virtue of the accounting record of the shares but who act on behalf of various other final beneficiaries may in any case divide their vote and exercise it divergently in compliance with different voting instructions, if they had received them.*
8. *Declarations indicating how the vote will be cast made to the Secretary or, where applicable, to the Notary (or to those assisting them), provided for in paragraph 4, above, may be made individually with regard to each of the proposals or jointly to several or for all of them, expressing to the Secretary or the Notary the identity and condition of shareholder or proxy of the person voting, the number of shares to which they refer, how they will vote or, where applicable, if they wish to abstain.*
9. *If the shareholder has cast the vote by electronic means, the Company should send him or her electronic confirmation of the receipt of his or her vote. Also, within one month from the date of the General Shareholders Meeting, the shareholder or their representative and the final beneficiary may request confirmation that the votes corresponding to their shares have been recorded and correctly count by the Company, unless they already have this information. The Company should send this confirmation within the deadline established in the applicable regulations."*

#### **"Article 22. Remote casting of votes prior to the Meeting**

1. *The vote on the proposals on points included in the Agenda may be made by shareholders prior to the General Shareholders Meeting by post, electronic correspondence or by any other means of remote communication that duly guarantees the identity of the shareholder and, where appropriate, the security of the electronic communications, all in accordance with the legislation in force at all times.*
2. *To cast a vote by post, the shareholder may send the Company a letter stating their voting intention or if they wish to abstain, accompanied by the attendance, proxy and remote voting card issued in their favour by the Company or by the entity or entities responsible for the registry of book entries. However, the attendance, proxy and remote voting card itself, duly filled in and signed, may suffice when it provides for use for remote voting purposes.*
3. *Votes by electronic communication will be cast under a recognised electronic signature or other type of guarantee that the Board of Directors deems suitable to ensure the authenticity and identification of the shareholder exercising the right to vote, which will be accompanied by a copy in unalterable electronic format of the attendance, proxy and remote voting card.*

*Notwithstanding the foregoing, the Company may create on its website a specific computer programme for exercising the right to vote remotely, in which case, it will not be necessary to send a copy in unalterable electronic format of the documents referred to in the previous paragraph.*

4. *The vote cast by any of the means provided for in the preceding sections should be received by the Company before midnight (12 midnight) on the day immediately prior to the day scheduled for holding the General Shareholders Meeting on first call. Otherwise, the vote will be deemed not to have been cast.*
5. *The votes cast remotely referred to in this article will be without effect in the following circumstances:*
  - a) *By subsequent and express revocation undertaken by the same means used to cast the vote and within the deadline established for it.*
  - b) *Attendance, physical or electronic, at the meeting by the shareholder that cast the vote.*
6. *The Board of Directors is empowered to develop the above provisions, establishing the rules, means and procedures in accordance with the technology available to implement the casting of votes by electronic remote means of communication, adjusting, where applicable, to the regulations issued for this purpose and to the Articles of Association.*

*In particular, the Board of Directors may: (i) regulate the use of alternative guarantees to the electronic signature for casting votes by electronic means in accordance with the provisions of section three above, and (ii) reduce the deadline established in section four above for receipt by the Company of votes cast by post or electronic correspondence.*

*In any case, the Board of Directors will adopt the necessary measures to avoid possible duplications and ensure that whoever has cast the vote by postal or electronic correspondence is duly authorised to do so in accordance with the provisions of the Articles of Associations and these Regulations.*

7. *The implementing rules that the Board of Directors may adopt under the provisions of this article will be published on the Company's website."*

#### **"Article 26. Minutes of the Meeting**

1. *The Secretary of the Meeting will draw up the Minutes of the session that will be incorporated into the Book of Minutes, which may be approved by the Meeting itself at the end of the meeting, or failing that, and within a deadline of fifteen (15) days, by the President of the Meeting and two (2) Auditors, one representing the majority and the other representing the minority, having the Minutes approved in either of these two forms as executive force on the date of their approval.*
2. *The minutes of the Meeting will include the list of those attending referred to in article 192 of the Spanish Corporate Enterprises Act and will contain a summary of the deliberations, literal expression of the resolutions adopted and the result of the voting.*
3. *The Board of Directors may require the presence of a notary to draw up the minutes of the Meeting and shall be obliged to do so whenever shareholders representing at least one per cent (1%) of the capital stock request it five (5) days prior to the date scheduled for the meeting. Also, in the event that the Company's General Shareholders Meeting is held exclusively by electronic means in accordance with the provisions of articles 14 bis of these Regulations and 18 bis of the Articles of Association, the minutes of the meeting should be drawn up by a Notary.*

*The notarial document shall not be submitted for approval, it shall be considered to be the minutes of the meeting and the resolutions contained therein may be executed as from the date of its closing. The notarial fees shall be paid by the Company."*

#### **4.6. Elimination of the Final Provision of the Regulations for the General Shareholders Meeting.**

"In accordance with the report by the Board of Directors that has been available to the shareholders since the publication of the call for the General Shareholders Meeting, to approve the elimination of the Final Provision of the Regulations for the General Shareholders Meeting."

#### **5. Remuneration of the members of the Board of Directors:**

##### **5.1. Remuneration of the members of the Board of Directors corresponding to the 2020 business year.**

"In accordance with article 38 of the Articles of Association, to approve that the total amount to be distributed between the directors corresponding to remuneration for the 2020 business year for effective attendance at Board and its Committee meetings is €535,575."

##### **5.2. Submission to a vote of an advisory nature of the Annual Director Remuneration Report corresponding to the 2020 business year.**

"To approve, in an advisory capacity, the FCC Annual Director Remuneration Report corresponding to the 2020 business year."

##### **5.3. Approval of the Directors' Remuneration Policy.**

"In accordance with the provisions of article 529r of the Spanish Corporate Enterprises Act, to approve the Remuneration Policy for the Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A., the text of which was made available to the shareholders on the date of publication of the announcement calling the General Shareholders Meeting together with the proposal of the Board of Directors and the report of the Appointments and Remuneration Committee. The Policy will be applicable to the 2021, 2022 and 2023 business years".

#### **6. Distribution of a scrip dividend through (i) a share capital increase for a determinable amount by issuing new ordinary shares of 1 euro par value each, without issue premium, of the same class and series as those currently in circulation, charged against reserves; and (ii) the offer of the acquisition of free allocation rights at a guaranteed price (€ 0,40 right). Express provision for the possibility of incomplete allocation. Delegation of powers.**

It is approved to implement a scrip dividend for a maximum value of €163.642.647,20 (dividend equivalent to 0.40 euros per share), through the offer to all the shareholders of the Company of newly issued shares or, where appropriate, to obtain cash by means of the transmission of the free allocation rights that they receive by the shares they hold.

Therefore, FCC shareholders will have the option, at their own discretion, of:

- a) Not transferring their free allocation rights. In such a case, at the end of the trading period, the shareholder will receive the corresponding number of new shares depending on the proportion described below, fully released.



- b) Transfer all or part of their free allocation rights to FCC under the Purchase Commitment (as defined below) at a guaranteed fixed price of 0.40 euros per right. In this regard, the shareholder may choose to monetise their rights and receive a cash amount instead of receiving shares.
- c) Transfer all or part of their free allocation rights in the market. In this case, the shareholder may also choose to monetise the corresponding rights, although in this case the shareholder would receive no guaranteed fixed price, but the consideration for the rights would depend on the market conditions in general, and the quoted price of the referred rights in particular.

Shareholders of the Company who opt, partially or totally, to receive new shares will also receive a compensatory dividend in cash so that the options of transferring their free allocation rights to FCC under the Purchase Commitment and receiving this amount in shares released from the Company, i.e., though the economic terms shall neither favour nor penalise any of these options.

#### **A. Capital increase**

For the purposes of the foregoing, the capital increase is agreed for the amount resulting from multiplying (a) the nominal value of 1 euro per share of FCC by (b) the number of new shares of FCC resulting from the application of the formula that is collected in the following sections (the "New Shares"), without which the sum of the reference market value of the New Shares may exceed a total of a maximum of 163.642.647,20 euros.

The capital increase will be carried out through the issuance and circulation of New Shares, which will be ordinary shares with a par value of 1 euro each, of the same class and series as those currently in circulation, represented by book entries.

The New Shares will be issued at par, i.e. for their nominal value of 1 euro, without issue premium, and will be assigned free of charge to the shareholders of the Company.

The capital increase may be executed by the Board of Directors (with express powers of substitution) in accordance with the provisions of the following sections, at its sole discretion and without having, therefore, to address this General Meeting of Shareholders again.

Article 311 of the consolidated text of the Spanish Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010 of July 2 (the "Corporate Enterprises Act"), provides for the possibility of incomplete allocation of the capital increase.

#### **B. New Shares to be issued**

The number of New Shares to be issued would be calculated by the following formula, rounded to the next lower whole number:

$$NNS = \frac{NOS}{No. of rights}$$

where,

"NNS" = Number of New Shares to be issued;



"NOS" = Number of FCC shares outstanding at the date on which the Board of Directors agrees to carry out the capital increase; and

"No. of rights" = Number of free allocation rights necessary for the allocation of a New Share, which will be the one resulting from the application of the following formula, rounded to the upper whole number:

$$\text{No. of rights} = \frac{\text{NOS}}{\text{No. of provisional shares}}$$

where,

$$\text{No. of provisional shares} = \frac{\text{Scrip dividend amount}}{\text{Listing price}}$$

For this purpose:

"Scrip Dividend Amount" = the maximum value of the scrip dividend to be distributed among shareholders of the Company; and

"Listing Price" = the arithmetic mean of the weighted average prices of the Company's stock on the Spanish Stock Exchanges in the 5 trading sessions prior to the date of the Board of Directors resolution to carry out the Capital Increase, rounded to the thousandth of the nearest euro and, in the case of one-half of one thousandth of a euro, to the nearest thousandth of a euro.

### **C. Free allocation rights**

Each outstanding Company share would grant one free allocation right.

The number of free allocation rights needed to receive a New Share ("No. rights") would be determined automatically according to the proportion existing between the Number of New Shares ("NNS") and the Number of Outstanding Shares ("NOS"). Specifically, FCC shareholders would be entitled to receive one New Share for every so many free allocation rights as determined in accordance with the provisions of the previous section of the holders.

If the number of free allocation rights required for the allocation of an action ("No. of rights") multiplied by the Number of New Shares ("NNS") results in a number lower than the Number of Outstanding Shares ("NOS"), FCC (or an entity of its group that, as the case may be, owns shares in FCC), would renounce a number of free allocation rights equal to the difference between both figures, for the exclusive purposes that the NNS is a whole number.

The free allocation rights would be assigned to FCC shareholders who appear as such in the accounting records of the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear) on the corresponding date in accordance with the applicable rules of compensation and liquidation of securities.

The free allocation rights may be traded in the market during the term determined by the Board of Directors (with express powers of substitution), with a minimum of 14 calendar days. During the trading period of the free allocation rights, sufficient free allocation rights may be acquired in the market in the necessary proportion to subscribe New Shares.





#### **D. Irrevocable commitment to acquire the free allocation rights**

The Company or, with its guarantee, the designated group company, will assume an irrevocable commitment to purchase, at the price indicated below, the rights received free of charge by the shareholders, without it extending to the rights of purchase purchased or otherwise acquired in the market.

The Purchase Commitment will be valid and may be accepted during the term, within the period for trading the rights, as determined by the Board of Directors (with express powers of substitution). For this purpose, it is agreed to authorise the Company, or the corresponding company of its group, to acquire such free allocation rights (and their corresponding shares), with the maximum limit of the total of the rights that are issued, though legal limitations must be complied with in all cases.

The "Purchase Price" of each free allocation right will be equal to 0.40 euros.

#### **E. Compensatory mechanism**

In order to ensure the economic equivalence of the options for (i) transferring the free allocation rights to FCC under the Purchase Commitment and (ii) receiving that amount in New Shares, i.e., without favouring or penalising any options in economic terms, the Company will in turn pay shareholders of the Company who choose to receive New Shares, whether partially or totally, a compensatory dividend in cash to offset the lower economic value that, as a consequence of the application of the above exchange formulas, such New Shares would have with respect to the amount received in cash by the shareholders under the Purchase Commitment.

The compensatory dividend ("Compensatory dividend" or "CD") that the Company will pay to its shareholders through this equity mechanism will be equal to the results of the following formula, rounded to the lowest thousandth of a euro:

$$CD = (0.40 - \textit{Theoretical value of the right}) \times (\textit{No. of exercised rights} + \textit{NNS subscribed})$$

where,

$$\textit{Theoretical value of the right} = \textit{Listing Price} - \frac{(\textit{Listing price} \times \textit{No. of rights})}{(\textit{No. of rights} + 1)}$$

The "Theoretical Value of the Right" will be rounded to the lowest thousandth of a euro.

"No. of exercised rights" = Total number of free allocation rights exercised by the shareholder.

"NNS subscribed" = Total number of New Shares received by the shareholder.

#### **F. Balance for the operation and reserve with charge to which the increase is made**

The balance sheet that would serve as the basis for the operation corresponds to 31 December 2020, duly audited and approved by the Ordinary General Shareholders' Meeting.

The capital increase would be made entirely charged to reserves pursuant to article 303.1 of the Corporate Enterprises Act. On the occasion of the execution of the increase, the Board of Directors



(with express powers of substitution) will determine the reserve or reserves to be used and the amount in accordance with the balance sheet that serves as the basis for the operation.

#### **G. Representation of the New Shares**

The shares that are issued would be represented by book entries, whose accounting record is attributed to Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and its participating entities.

#### **H. Rights of the New Shares**

New Shares would give their holders the same political and economic rights as ordinary shares of FCC currently in circulation as of the date they are registered in their name in the corresponding accounting records.

#### **I. Application for admission to trading**

It is resolved to apply for admission to trading of the New Shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Spanish Stock Exchange Interconnection System (Continuous Market), and to carry out such formalities and actions as may be necessary or advisable and submit such documents as may be required to the competent bodies for admission to trading of the New Shares issued as a result of the agreed capital increase, expressly stating FCC's submission to the rules that exist or may be issued in relation to the Stock Exchange and, in particular, permanence and exclusion from official listing.

#### **J. Translated with [www.DeepL.com/Translator](http://www.DeepL.com/Translator) (free version) Execution of the increase**

Within a period of one year from the date of the present agreement, the Board of Directors (with express powers of substitution), may indicate the date on which this capital increase must be carried out and set the terms and conditions thereof in all matters not contemplated herein.

Likewise, the resolutions of this General Shareholders' Meeting in relation to the capital increase shall be without any value or effect whatsoever when, within a period of one year from its approval, the Board of Directors does not exercise the delegated powers in that regard.

Once the negotiation period of the free allocation rights has ended:

- a) The New Shares will be allocated to shareholders who, in accordance with the accounting records of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and its participating entities, were holders of free allocation rights in the proportion resulting from section C above.
- b) The Board of Directors (with express powers of substitution) will declare the trading period of the free allocation rights closed and will proceed to formalise the application of the reserves in the amount of the capital increase, which will be disbursed with said application.

Likewise, upon conclusion of the period for trading free allocation, the Board of Directors (with express powers of substitution) will adopt the corresponding amendments to the Bylaws to reflect the new amount of share capital in accordance with the resulting number of New shares and request for admission to trading of the New Shares in the Spanish Stock Exchanges.

## K. Delegation for execution

It is agreed to delegate to the Board of Directors, as provided for under article 297.1.a) of the Corporate Enterprises Act, the right to indicate the date on which this capital increase must be executed and to set the terms and conditions of the capital increase in all matters not contemplated herein. In particular, the powers conferred to the Board of Directors (with express powers of substitution) to carry out all actions necessary or advisable for the execution of this resolution and, in particular, by way of indication and not limitation, to:

- i) To extend and develop this agreement, setting the terms and conditions of this agreement in all matters not provided for and, in particular, to set the date on which this agreement must be carried out, in any case within a period of one year from the approval thereof.
- ii) Setting the exact amount of the capital increase, the number of New Shares, the compensatory Dividend, the Scrip dividend amount and the free allocation rights necessary for the allocation of New Shares, applying the rules established by this General Meeting, and being able to, where appropriate, waive free subscription rights to subscribe New Shares for the sole purpose of facilitating the number of New Shares to be a whole number.
- iii) Designating the company or companies to assume the functions of agent and/or financial adviser in relation to the capital increase, and entering into any and all agreements, contracts and documents as necessary for that purpose.
- iv) Setting the duration of the trading period for free allocation rights.
- v) Declaring the part of the capital increase agreed for execution closed and executed.
- vi) Rewording article 5 of FCC's Bylaws relating to the share capital, adapting it to the result of the execution of the capital increase.
- vii) Renouncing the number of free allocation rights that are necessary to balance the allocation ratio of the new shares, the free allocation rights that are acquired pursuant to the purchase commitment and any other free allocation rights that are necessary or desirable to renounce.
- viii) Renouncing the New Shares that correspond to the free allocation rights of which the Company is the holder at the end of the trading period thereof.
- ix) Carrying out all the necessary or appropriate procedures for the New Shares subject to the capital increase to be registered in the accounting records of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and admitted to trading on the Spanish Stock Exchanges.
- x) Draft and publish such notices as may be necessary or appropriate for this purpose.
- xi) Taking as many steps as necessary or advisable and establish the necessary or appropriate mechanisms and processes for compliance with all tax obligations arising from the execution of the scrip dividend agreement, including withholdings and/or payments on account (in cash or in kind) which, where applicable, may be legally required from time to time.
- xii) Taking as many steps as necessary or advisable to execute and formalise the capital increase before any public or private entities or organisations, Spanish or foreign, including making

declarations, statements, supplements, corrections on defects or omissions that could impede or interfere with the full effectiveness of the previous agreements.

The Board of Directors is expressly authorised, pursuant to article 249 bis I) of the Corporate Enterprises Act to sub-delegate (with the faculty of substitution when appropriate) in the Executive Committee, the director or Directors it deems pertinent, each and every one of the powers delegated by virtue of this agreement."

#### **7. Reduction of the deadline for calling extraordinary general meetings.**

Article 515 of the Corporate Enterprises Act enables the deadline for calling Extraordinary General Meetings to be at least fifteen days in advance, provided that the Company allows voting to all its shareholders by electronic means and that this reduction is agreed upon at the Ordinary General Shareholders Meeting with the favourable vote of shareholders representing two-thirds of the capital stock. The Act provides that the agreement to reduce the deadline should only be valid until the next Ordinary General Shareholders Meeting.

Based on the foregoing, the following is proposed: "In accordance with article 515 of the Corporate Enterprises Act, to approve that Extraordinary General Meetings may be convened a minimum of fifteen days in advance where necessary. This agreement will remain valid until the next Ordinary General Shareholders Meeting".

#### **8. Grant directors broad powers to draw up, place on public record, register, rectify and execute the adopted agreements.**

"To grant the Board of Directors, any of the Board's members, the Secretary and Vice Secretary of the Board of Directors, the broadest powers within the law to jointly and severally enter resolutions adopted at the General Shareholders Meeting onto the public record, as well as interpret, correct, rectify and modify the text thereof, and to (i) enter these agreements into public record and agree whatever is required for their development and compliance; (ii) sign public or private documents that may be required or advisable, and undertake such actions as may be appropriate in their execution, including the publication of legal notices, before any public or private body or agency, until they are registered in the Mercantile Registry, or any others, being also able to grant deeds of ratification, rectification, correction and clarification, in view of the verbal suggestions or of the written qualification of the corresponding registrar - as well as proceeding to request the partial registration of the registrable agreements - and of any other proper private or public body; and (iii) draft as many public or private documents as are necessary or advisable and follow any appropriate procedures before the National Securities Market Commission (CNMV) and the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), the Stock Exchange Governing Bodies and any other body, entity or public or private registry, both national and international, in order to execute and bring to fruition the approved agreements, as well as for the processing of files and any type of documentation that may be necessary before public or private organisations and, in general, for any actions relating to the agreements adopted at this General Shareholders Meeting.

As provided for in article 249 bis I of the Corporate Enterprises Act, the Board of Directors is expressly authorised to sub-delegate (with the faculty of replacement where appropriate) in the Executive Committee, the Director or Directors it deems suitable, each and every one of the powers granted to the Board of Directors by virtue of the present agreement".

#### **9. Information to the General Shareholders Meeting on the modification of the Regulations of the Board of Directors approved at its meeting on 2 June 2020.**



In accordance with the provisions of articles 528 and 518.d) of the Corporate Enterprises Act, the Board of Directors made available to the shareholders of the Company, when the call for the Ordinary General Shareholders Meeting was made, a Report explaining the scope and content of the amendment to the Regulations of the Board of Directors approved by the Board of Directors of the Company at its meeting on 2 June 2020.

This item of the agenda was not voted.