

## JUSTIFICATORY REPORT OF THE BOARD OF DIRECTORS OF FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. ON THE PROPOSALS FOR THE APPOINTMENT AND RE-ELECTION OF DIRECTORS (ITEMS 3.1 TO 3.7 ON THE AGENDA)

### I. INTRODUCTION

This report has been drawn up by the Board of Directors of Fomento de Construcciones y Contratas, S.A. (the "**Company**" or "**FCC**") in accordance with articles 529 decies(5) of the revised text of the Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010 of 2 July ("**Corporate Enterprises Act**") and 16 of the Regulations of the Board of Directors to justify the following proposals for the appointment and re-election of directors which are submitted for approval by the Ordinary General Shareholders' Meeting under items 3.1 to 3.7 of the Agenda:

#### **«3.1. Appointment of Esther Koplowitz Romero de Juseu as proprietary director.**

*Proposal: "Appoint Esther Koplowitz Romero de Juseu, following a favourable report from the Appointments and Remuneration Committee, as a member of the Board of Directors, with effect from the date of this Meeting and for the statutory period of four (4) years, with the category of proprietary director".*

#### **«3.2. Appointment of Carlos Slim Helú as proprietary director.**

*Proposal: "Appoint Carlos Slim Helú, following a favourable report from the Appointments and Remuneration Committee, as a member of the Board of Directors, with effect from the date of this Meeting and for the statutory period of four (4) years, with the category of proprietary director".*

#### **«3.3. Appointment of Carmen Alcocer Koplowitz as proprietary director.**

*Proposal: "Appoint Carmen Alcocer Koplowitz, following a favourable report from the Appointments and Remuneration Committee, as a member of the Board of Directors, with effect from the date of this Meeting and for the statutory period of four (4) years, with the category of proprietary director".*

#### **«3.4. Re-election of Alejandro Aboumrad González as proprietary director.**

*Proposal: "Re-elect Alejandro Aboumrad González to the Board of Directors as a proprietary director following a favourable report by the Appointments and Remuneration Committee, effective as of the date of this Meeting and for the statutory period of four (4) years".*

#### **«3.5. Re-election of Gerardo Kuri Kaufmann as proprietary director.**

Proposal: *"Re-elect Gerardo Kuri Kaufmann to the Board of Directors as a proprietary director following a favourable report by the Appointments and Remuneration Committee, effective as of the date of this Meeting and for the statutory period of four (4) years"*.

**«3.6. Re-election of Manuel Gil Madrigal as independent director.**

Proposal: *"Re-elect Manuel Gil Madrigal to the Board of Directors as an independent director following a favourable report by the Appointments and Remuneration Committee, effective as of the date of this Meeting and for the statutory period of four (4) years"*.

**«3.7. Re-election of Álvaro Vázquez de Lapuerta as independent director.**

Proposal: *"Re-elect Álvaro Vázquez de Lapuerta to the Board of Directors as an independent director following a favourable report by the Appointments and Remuneration Committee, effective as of the date of this Meeting and for the statutory period of four (4) years"*.

This report assesses the competence, experience and merits of the candidates for directors whose appointments or re-elections are proposed to the General Meeting, for which purpose the Board of Directors has taken into account, among other aspects, the knowledge and experience required on the Board of Directors, the suitability of the professional profile of the candidates to the particularities of the business and the growing internationalisation of the Company.

The Appointments and Remuneration Committee has also issued, prior to its meeting of 21 April 2023, the corresponding favourable reports on the proposals for appointment and re-election of proprietary directors, and also the proposals for re-election of independent directors.

For the purposes of article 518.e) of the Corporate Enterprises Act, the aforementioned reports and proposals of the Appointments and Remuneration Committee include full information on the identity, curriculum vitae and category to which the candidates whose appointment or re-election is proposed belong, as well as the other information required by article 9.d) of the Regulations of the General Meeting.

## **II. JUSTIFICATION OF PROPOSALS**

As indicated above, the re-election of two proprietary and two independent directors, and the appointment of three proprietary directors, are proposed to this General Meeting.

Pursuant to Article 529 bis of the Corporate Enterprises Act, as amended by Law 5/2021<sup>1</sup>, listed companies must be managed by a Board of Directors composed

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<sup>1</sup> Law 5/2021 of 12 April, which amends the consolidated text of the Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010 of 2 July, and other financial regulations, with regard to the promotion of long-term shareholder involvement in listed companies.

exclusively of natural persons, subject to certain exceptions provided for by law. The Board therefore proposes to appoint as directors Esther Koplowitz Romero de Juseu, Carlos Slim Helú and Carmen Alcocer Koplowitz, who until now have been natural persons representing the directors Samede Inversiones 2010, S.L., Inmobiliaria AEG, S.A. de C.V. and Dominum Dirección y Gestión, S.A.U., respectively.

The Board of Directors has verified that the candidates for directors meet the requirements of respectability, suitability, solvency, competence, experience, qualifications, training, availability and commitment to their duties, and that they are not directly or indirectly affected by any of the causes of incompatibility or prohibition set forth in the Law, the Bylaws and the Regulations of the Board of Directors.

In addition, in preparing this report, the Board of Directors of the Company has taken into account not only the individual suitability of each of the proposed candidates, but also the appropriate diversity of the Board of Directors as a whole, so that the proposed appointments and re-elections contribute to the plurality of training, knowledge, professional experience, gender and capacities that best serve the full exercise of their functions by the Board of Directors of FCC.

The Board of Directors also evaluates its functioning and composition on an annual basis in order to identify the strengths of the Board as a whole, as well as areas for improvement and, if necessary, to implement appropriate corrective measures.

The Board of Directors, with the support and collaboration of the Appointments and Remuneration Committee, has established criteria for the composition of the Board of Directors based on the coordination of the principles of representativeness with those of diversity and independence, taking into account national and international good governance recommendations. Likewise, the Board of Directors ensures that its composition is suitably stable in order to maintain the necessary suitability of the Board of Directors as a whole, preserving the experience and knowledge of those who have been serving as directors. In this regard, the Board of Directors favours the continuity on the Board of Directors of the directors whose re-election is proposed, given that during their term of office they have made a significant contribution to the efficient functioning of both the Board and the Committees, if any, of which they are members.

Finally, pursuant to article 197 bis of the Corporate Enterprises Act, proposals for the appointment and re-election of directors submitted to the General Shareholders' Meeting shall be subject to a separate vote.

### **III. Justification of the proposed appointment of Esther Koplowitz Romero de Juseu as proprietary director.**

The Board of Directors, on the basis of the Report of the Appointments and Remuneration Committee, the conclusions of which it fully endorses, considers that the inclusion of Esther Koplowitz Romero de Juseu on the Board as a proprietary

director contributes to ensuring that the Board has among its members directors with the knowledge, skills and experience that, as a whole, enable it to properly perform its functions.

As mentioned in section II of this report, in compliance with the provisions of article 529 bis of the Corporate Enterprises Act, the Board proposes to appoint Esther Koplowitz Romero de Juseu as proprietary director, after having held the position of natural person representative of the legal person director Samede Inversiones 2010, S.L.U. in recent years.

In this regard, the Board of Directors highly values Esther Koplowitz Romero de Juseu's extensive experience at FCC and her knowledge of the Company and its Group.

The Board of Directors also appreciates Esther Koplowitz Romero de Juseu's curriculum vitae and business career, which accredits that she has the appropriate skills, experience and merits to hold the position of director of the Company.

Likewise, the appointment of Esther Koplowitz Romero de Juseu contributes to reinforcing the gender diversity criteria in accordance with the selection criteria and procedures set out in the Regulations of the Board of Directors and in line with best practices of good governance.

All of the foregoing justifies, in the opinion of the Board of Directors, her appointment as director, with the category of proprietary director, given her status as a shareholder of FCC through the company Nueva Samede 2016, S.L.U.

#### **IV. Justification of the proposed appointment of Carlos Slim Helú as proprietary director.**

The Board of Directors, on the basis of the Report of the Appointments and Remuneration Committee, the conclusions of which it fully endorses, considers that the incorporation of Carlos Slim Helú to the Board as proprietary director contributes to ensuring that the Board has among its members directors with the knowledge, skills and experience that, as a whole, enable it to properly perform its functions.

As mentioned in section II of this report, in compliance with the provisions of article 529 bis of the Corporate Enterprises Act, the Board proposes to appoint Carlos Slim Helú as proprietary director, after having held the position of natural person representative of the legal person director Inmobiliaria AEG, S.A. de C.V. for the last few years.

In this regard, the Board of Directors greatly appreciates Carlos Slim Helú's extensive experience in the world of international business and the experience in FCC and his knowledge of the Company and its Group, which he has acquired in recent years as a result of his position as a natural person representative of the legal person director Inmobiliaria AEG, S.A. de C.V.

Likewise, the Board of Directors values Carlos Slim Helú's curriculum vitae and business career, which prove that he has the appropriate skills, experience and merits to hold the position of director of the Company.

All of the foregoing justifies, in the opinion of the Board of Directors, his appointment as director, with the category of proprietary director, appointed at the proposal of Control Empresarial de Capitales, S.A. de C.V.

Notwithstanding the foregoing, and to the extent that Carlos Slim Helú could directly or indirectly carry out an activity that places him in a situation of effective, actual or potential competition with the Company, as regulated in article 229 of the Corporate Enterprises Act, a waiver of the obligation not to carry out activities that involve effective competition with the Company, in accordance with article 230 of the Corporate Enterprises Act, is submitted for approval by the General Shareholders' Meeting.

**V. Justification of the proposed appointment of Carmen Alcocer Koplowitz as proprietary director.**

The Board of Directors, on the basis of the Report of the Appointments and Remuneration Committee, the conclusions of which it fully endorses, considers that the inclusion of Carmen Alcocer Koplowitz on the Board as a proprietary director contributes to ensuring that the Board has among its members directors with the knowledge, skills and experience that, as a whole, enable it to properly perform its functions.

As mentioned in section II of this report, in compliance with the provisions of article 529 bis of the Corporate Enterprises Act, the Board proposes to appoint Carmen Alcocer Koplowitz as proprietary director, after having held the position of natural person representative of the legal person director Dominum Dirección y Gestión, S.A.U. in recent years.

In this regard, the Board of Directors highly values Carmen Alcocer Koplowitz's extensive experience at FCC and her knowledge of the Company and its Group.

The Board of Directors also appreciates Carmen Alcocer Koplowitz's curriculum vitae and business career, which accredits that she has the appropriate skills, experience and merits to hold the position of director of the Company.

Likewise, the appointment of Carmen Alcocer Koplowitz contributes to reinforcing the gender diversity criteria in accordance with the selection criteria and procedures set out in the Regulations of the Board of Directors and in line with best practices of good governance.

All of the foregoing justifies, in the opinion of the Board of Directors, her appointment as director, with the category of proprietary director, appointed at the proposal of Control Empresarial de Capitales, S.A. de C.V.

**VI. Justification of the proposed re-election of Alejandro Aboumrad González as proprietary director.**

The Board of Directors, after considering the Report of the Appointments and Remuneration Committee, the conclusions of which it endorses in all their terms, considers that the performance of Alejandro Aboumrad González as a member of the Board since his appointment has been very satisfactory in all aspects, taking into account both his good performance as proprietary director and in particular in his capacity as Vice-Chairman of the Board of Directors and Chairman of the Executive Committee; and the quantity and quality of his work; and his dedication to the post.

Likewise, the Board of Directors values the curriculum vitae and business career of Alejandro Aboumrad González, which accredits that he has the appropriate skills, experience and merits to perform his duties as proprietary director, having fulfilled his duties of diligence and loyalty to the Company to date.

All of the foregoing justifies, in the opinion of the Board of Directors, his re-election as director, with the category of proprietary director, appointed at the proposal of Control Empresarial de Capitales, S.A. de C.V.

Notwithstanding the foregoing, and to the extent that Alejandro Aboumrad González could directly or indirectly carry out an activity that places him in a situation of effective, actual or potential competition with the Company, as regulated in article 229 of the Corporate Enterprises Act, a waiver of the obligation not to carry out activities that involve effective competition with the Company, in accordance with article 230 of the Corporate Enterprises Act, is submitted for approval by the General Shareholders' Meeting.

**VII. Justification of the proposed re-election of Gerardo Kuri Kaufmann as a proprietary director.**

The Board of Directors, considering the Report of the Appointments and Remuneration Committee, the conclusions of which it endorses in all their terms, considers that the performance of Gerardo Kuri Kaufmann as a member of the Board since his appointment has been very appropriate in all aspects, taking into account his good performance as executive director; the quantity and quality of his work; and his dedication to the position, in particular as a member of the Executive Committee.

In particular, the Board values his experience and knowledge of the Company and its Group acquired as a result of his position as Chief Executive Officer of the Board of Directors of the subsidiaries Realía Business, S.A. and Cementos Portland Valderrivas, S.A. until his resignation on 22 February 2023 (companies in which he has become non-executive Vice-Chairman), for which reason until that date he held the category of executive director, being reclassified as proprietary director by the Board of Directors,

at the proposal of the Appointments and Remuneration Committee, with effect from 23 February 2023.

Likewise, the Board of Directors values the curriculum vitae and business career of Gerardo Kuri Kaufmann, which accredits that he has the appropriate skills, experience and merits to perform his duties as proprietary director, having fulfilled his duties of diligence and loyalty to the Company to date.

All of the foregoing justifies, in the opinion of the Board of Directors, his re-election as director, with the category of proprietary director, appointed at the proposal of Control Empresarial de Capitales, S.A. de C.V.

Notwithstanding the foregoing, and to the extent that Gerardo Kuri Kaufmann could directly or indirectly carry out an activity that places him in a situation of effective, actual or potential competition with the Company, as regulated in article 229 of the Corporate Enterprises Act, a waiver of the obligation not to carry out activities that involve effective competition with the Company, in accordance with article 230 of the Corporate Enterprises Act, is submitted for approval by the General Shareholders' Meeting.

**VIII. Justification for the proposal for the re-election of Manuel Gil Madrigal as independent director.**

The Board of Directors, on the basis of the proposal of the Appointments and Remuneration Committee, the conclusions of which it endorses in all their terms, considers that the performance of Manuel Gil Madrigal as a member of the Board of Directors of the Company since his appointment has been very appropriate in all aspects, taking into account both the performance of his duties as director and the quantity and quality of his work; and his dedication to the position.

Likewise, the Board of Directors, in view of the proposal made by the Appointments and Remuneration Committee, considers that the personal and professional career of Manuel Gil Madrigal, accredits that he has the appropriate skills, experience and merits to hold the position of director.

The Appointments and Remuneration Committee has proposed that the General Shareholders' Meeting re-elect Manuel Gil Madrigal as an independent director in view of his personal and professional qualifications, having performed his duties without being conditioned by any relationship with the Company, its significant shareholders or its executives, and maintaining such circumstances at the present time, in accordance with the provisions of article 529 duodecies.4 of the Corporate Enterprises Act.

All of the foregoing justifies, in the opinion of the Board of Directors, his re-election as director, with the category of independent director.

**IX. Justification of the proposed re-election of Álvaro Vázquez de Lapuerta as an independent director.**

The Board of Directors, considering the proposal of the Appointments and Remuneration Committee, whose conclusions it endorses in all its terms, considers that the performance of Álvaro Vázquez de Lapuerta as a member of the Board of Directors of the Company since his appointment has been very appropriate in all aspects, taking into account both the performance of the office of director and the quantity and quality of his work, as well as his dedication to the office.

Likewise, the Board of Directors, in view of the proposal made by the Appointments and Remuneration Committee, considers that the personal and professional career of Álvaro Vázquez de Lapuerta accredits that he has the appropriate skills, experience and merits to hold the position of director.

The Appointments and Remuneration Committee has proposed that the General Shareholders' Meeting re-elect Álvaro Vázquez de Lapuerta as an independent director in view of his personal and professional qualifications, having performed his duties without being conditioned by any relationship with the Company, its significant shareholders or its executives, and maintaining such circumstances at the present time, in accordance with the provisions of article 529 duodecies.4 of the Corporate Enterprises Act.

All of the foregoing justifies, in the opinion of the Board of Directors, his re-election as director, with the category of independent director.

**Madrid, 21 April 2023**