



## REPORT OF THE BOARD OF DIRECTORS OF FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. TO THE EMPLOYEES IN RELATION TO THE FINANCIAL PARTIAL SPIN-OFF OF FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (AS A SPUN-OFF COMPANY) TO INMOCEMENTO, S.A.U. (AS A BENEFICIARY COMPANY WHOLLY OWNED BY THE SPUN-OFF COMPANY)

### 1. INTRODUCTION

This report is prepared by the Board of Directors of Fomento de Construcciones y Contratas, S.A. ("**FCC**", the "**Company**" or the "**Demerged Company**") in connection with the proposed financial partial spin-off (the "**Partial Spin-Off**") of FCC to Inmocemento, S.A.U. ("**Inmocemento**" or the "**Beneficiary Company**"). Hereinafter, FCC and Inmocemento will be jointly referred to as the "**Companies**".

The directors of the Companies have drafted, approved and signed, on 16 May 2024, the corresponding common project of financial partial spin-off (the "**Project**"), in compliance with the provisions of articles 4, 64 and concordant articles of Royal Decree-Law 5/2023, of 28 June, transposing, among others, the European Union Directives on structural modifications of companies (the "**RDL 5/2023**"), which will be submitted for approval at the Ordinary General Shareholders' Meeting of the Company by the Board of Directors of the Board of Directors of the Company, of European Union Directives on structural modifications of companies (the "**RDL 5/2023**"), which will be submitted for the approval of the Ordinary General Meeting of Shareholders of the Company, which the Board of Directors of FCC has resolved to call to be held on 27 June 2024, on first call, and on 28 June 2024, on second call.

This report is issued by the Board of Directors of FCC in compliance with the provisions of article 5 of RDL 5/2023, pursuant to which the Board of Directors must prepare a report for the employees explaining the aspects of the Partial Spin-Off referred to in article 5.5 of RDL 5/2023.

### 2. STRUCTURE OF THE PARTIAL DIVISION

The legal structure chosen to carry out the corporate restructuring of FCC is the partial spin-off, as provided for in articles 60, 63, 71.2 and concordant articles of RDL 5/2023.

Through the proposed Partial Spin-Off, FCC will transfer en bloc, without being extinguished, to Inmocemento, wholly owned by FCC, two economic units, the first consisting of all the shares of FCYC, S.A. ("**FCYC**") owned by FCC representing 80.03% of the share capital of FCYC and the second consisting of all the shares of Cementos Portland Valderrivas, S.A. ("**Cementos Portland Valderrivas**") owned by FCC. ("**FCYC**") owned by FCC representing 80.03% of the share capital of FCYC and the second consisting of all the shares of Cementos Portland Valderrivas, S.A. ("**Cementos**") owned by FCC representing 99.028% of the share capital of Cementos (together the "**Spun-off Assets**").

At the same time as the Partial Spin-Off, Inmocemento's shares will be admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Stock Exchange Interconnection System (SIBE), and the planned Partial Spin-Off will therefore be essentially linked to the admission to trading of Inmocemento's shares. In



this regard, Inmocemento will be the parent company of a group comprising FCYC (real estate unit) and Cementos (cement unit) and their respective subsidiaries, with Inmocemento being listed separately from FCC.

In any event, the Partial Spin-Off shall not be implemented if, for any reason, the legal requirements for the listing of Inmocemento's shares on the Spanish Stock Exchanges cannot be fully complied with and/or the authorisations of the competent bodies or authorities in relation to such listing are not expected to be obtained, as well as in the event that any event of social or economic importance for FCC makes it advisable for reasons of corporate interest.

### **3. CONSEQUENCES OF PARTIAL DIVISION FOR EMPLOYEES**

#### **3.1. Consequences of the Partial Demerger for employment relations and measures to preserve such relations. Absence of substantial changes in employment conditions.**

Insofar as the planned Partial Spin-Off is a structural modification operation through which only the shares comprising the Spun-off Assets and Liabilities are transferred to Inmocemento, it is not expected to have any impact on employment as a result of the Partial Spin-Off, both on the workforce of the Spun-off Company (FCC) and on the workforce of the companies comprising the Spun-off Assets and Liabilities (FCYC and Cementos).

In this respect, the Partial Demerger is not expected to affect the employment rights and obligations of the employees of FCC, FCYC and Cementos.

In short, the planned Partial Demerger is not expected to affect employment in any way and, therefore, it is not necessary to adopt measures aimed at preserving the aforementioned labour relations.

It is also noted that Inmocemento has no employees at the date of formulation of this report.

#### **3.2. How the factors referred to in section 3.1 above affect FCC subsidiaries**

The Partial Demerger is not expected to affect FCC's subsidiaries in any way.

This report has been prepared and approved by the Board of Directors of FCC at its meeting held on 16 May 2024 and will be made available to the Company's employees and their representatives, together with the other documentation required by law, through the corporate websites of FCC ([www.fcc.es](http://www.fcc.es)) and Inmocemento ([www.inmocemento.es](http://www.inmocemento.es)), and the employees' representatives may submit opinions or comments on it.

Likewise, this report will be sent to FCYC and Cementos so that, in turn, they can make it available to the legal representatives of their workers, if applicable, or directly to their workers.

Madrid, 16 May 2024