

Speech by Esther Alcocer Koplowitz, Chairwoman of the FCC Group

Madrid, 27 June 2024

Good afternoon, ladies and gentlemen.

On behalf of myself and the Board of Directors of which I am Chairwoman, I would like to welcome you and thank you for attending this FCC's General Shareholders Meeting.

For our Group, 2023 was both a demanding and an extraordinary year in terms of results. A year in which, once again, we demonstrated our ability to turn every challenge into an opportunity we can use to continue to serve and support the society in which we are rooted and to which we are indebted.

A service based, as it always has been, on a job well done, passion in its performance and the magnificent team spirit that characterises us so much. These are core values in our Group's work ethic.

Throughout its more than 120 years of history our Group has demonstrated its high capacity for resilience – a feature, by the way, that has always characterised my mother Esther Koplowitz.

I want to start by thanking everyone who makes FCC possible, day by day, through the extraordinary work they do.

Together, we have been able to make courageous decisions and work in unity.

Together, we have overcome the challenges of the past and present, and together, we will take on the challenges that lie ahead.

To all of you, once again THANK YOU!

During the past year, our diversified and balanced business model, underpinned by committed shareholder support, enabled us to continue along the path of solid growth over the past year, a path in which we have been happily responding to the demands of our customers, suppliers, and shareholders for several years now.

As Carlos Slim often says: *"Profitability comes from productivity, efficiency, management, austerity and the way business are managed. It all adds up if you do it well."*

And that is what we are doing.

In the last financial year, 2023, we have continued adding it all up and we have continued doing things well.

I am proud to say that FCC continues to be a world leader in environmental services, end-to-end water cycle management, infrastructure construction and management, and production of the associated materials. These are lines of business where sustainability stands out as a clearly distinctive competitive element, and where the figures are proof of our good work.

In 2023, we improved our **gross operating profit** (EBITDA) by 16.6%, reaching 1,530 million euros, thanks to the progress in the Group's main business areas.

Turnover increased to 9,026 million euros, up 17.1% compared to 2022. The Cement and Construction activities made a major contribution to this success, followed by strong performance by the Water Area.

EBIT increased by 49.1% to 910 million euros.

Attributable net profit increased by 87.5% to 591 million euros.

Equity also showed considerable growth as of December 2023, climbing 24.4% higher than the previous year, to 6,146 million euros.

At the end of the 2023 financial year, the Group's **financial debt** stood at 3,100 million euros, 2.9% lower than in 2022.

The **revenue backlog** stood at 41,621 million euros at 31 December, with a rise of 3.3% compared to the previous year, largely due to the notable increase in Water activity.

These achievements were built on important milestones and projects. I'd like to mention a few of the particularly important ones.

- FCC closed the sale of 24.9% of the parent company of the **Environmental Area** to the Canadian pension fund CPP Investment, for 965 million euros. The entry of this new shareholder will enhance the position and strategic development of the subsidiary, its departments and geographical areas of activity.
- The **Real Estate Area** has reinforced its competitive position with new acquisitions. Through its parent company, FCyC, it consolidated its competitive position by investing 179 million euros in the purchase of shares in Metrovacesa and Realia, maximising the value of all its real estate assets and opportunities.

In relation to this area, today we are submitting, for your consideration and approval, a proposal for a partial financial spin-off of FCC's Cement and Real Estate businesses to the company **Inmocemento, S.A.**

In this operation, FCC shareholders will receive the same number of **Inmocemento** shares as they have FCC shares. **Inmocemento** will be listed independently on the stock exchange, giving shareholders greater flexibility in managing their investment.

The aim of this operation is to differentiate the strategy, management and valuation of the new Group compared to FCC, and to facilitate the market perception and maximisation of value of both groups.

- **FCC Medio Ambiente** has expanded its position in the waste treatment sector in the United Kingdom, Spain and the USA.
 - In **the United Kingdom**, we have closed the purchase of Urbaser for 398 million pounds (about 464 million euros).

This acquisition strengthens our position as one of the leading operators in the comprehensive waste management sector and the circular economy, both in Europe and worldwide.

- Highlights in **Spain** include:

The awarding of the contract to modernise and operate the comprehensive treatment plant for the Jerez region, and renewal of the street cleaning and MSW contract in the northern area of the city of Valencia.

- In **the United States**, we have continued to increase and strengthen our presence with the awarding of the MSW collection service in St Johns County, Florida, for 575 million dollars.

Work is also continuing the expansion and modernisation of the first recycling plant in Placer County, California. This complex will be one of the biggest of its kind, with a treatment capacity of 650,000 tonnes per year.

Another highlight is the renewal of the MSW collection contract for the western zone of Polk County in Florida and a new contract in Sarasota County, also in Florida, for 750 million dollars.

- **Aqualia** has obtained renewals and extensions for 94% of its contracts, totalling 307 million euros, and has been awarded new contracts worth 831 million euros.
 - In 2023, Aqualia expanded its international activity and solidified its entry into the US market with the purchase of MDS, a Texas-based company, for 81 million dollars.
 - New end-to-end water cycle management contracts include the hydraulic infrastructure operation in Riohacha-La Guajira, in Colombia, and contracts won in France, Portugal, the Czech Republic and Saudi Arabia.

As a result of the increase in water cycle management activity, the backlog at the end of the year grew by 7% and international contracts now account for 68.4% of the total for the Area.

Thanks to all of this, Aqualia was recognised as the best water company of the year at the 2023 Global Waters Summit.

- **FCC Construction**, through FCC Industrial as part of a consortium with other companies, won a major industrial contract in Germany for the construction of the **Hanseatic Energy Hub** regasification terminal, with a revenue backlog of 270 million euros, the second such regasification plant in Germany.
 - FCC Industrial has also been awarded a contract to build solar facilities in Guillena, Spain, with a total capacity of 263 MW and investment of 140 million euros.
 - A consortium led by FCC Construction has been awarded the work on the new Rubi underground line in Porto, and the joint venture in which it is involved has been awarded the contract for the underground construction of the R2 line in Barcelona.
 - FCC Construction won the tender for the construction of the modern Pallas nuclear reactor for medical use in the Netherlands. This reactor will improve the diagnosis and treatment of cancer and cardiovascular diseases.

Additionally, in December, FCC successfully completed a voluntary takeover bid for the redemption of its own shares.

Last, but not least, I would like to highlight that FCC now has its First Equality Plan for the Group's Corporate Services Area.

Covering a four-year term, this Plan will enable us to make progress in the incorporation of women into positions in which they are under-represented and to implement initiatives that promote the advancement of women. All of this without forgetting other equally relevant chapters such as the integration and labour protection of women victims of

gender violence, the reconciliation of personal and working life or the prevention of occupational risks with a gender perspective.

The signing of this Equality Plan consolidates and renews our commitment to equal opportunities for women and men.

We are very proud of all these milestones and projects.

Milestones and projects that have made our excellent results possible, and they enable us to propose to this General Meeting, once again this year, the distribution of a scrip dividend to our shareholders of 283.4 million euros, equivalent to an amount per share of 0.65 euros, charged to available reserves, which is 30% more than that offered in the previous financial year.

These results are the fruit of the work of our excellent teams, which will enable us to continue growing and responding to the challenges we face. Because of them, we can only be optimistic about what lies ahead.

None of this would have been possible without strong leadership and the vision to face the challenges the future has in store for us. In our case, we have the leadership of Carlos Slim and the **Carso Group**. Their support and trust have, once again, been crucial for successfully managing and leading our Group.

Finally, I would like to recognise the extraordinary work of both our management team and the Board of Directors, who have been fully involved in enabling the extraordinary results that, I reiterate, are the result of everyone's efforts.

Through our passion, our determination to do things well and our strength as a Group, we will continue to build the future of FCC together, day by day.

Thank you very much.